Daily Report

Latin America

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Basel Members Call For Halt in Waste Exports

PY0612210692 Madrid EFE in Spanish 1846 GMT 4 Dec 92

[Text] Piriapolis, Uruguay, 4 Dec (EFE)—The first conference of the Basel Convention member countries today called on the industrialized countries to prohibit the export of their dangerous waste for its elimination in developing countries.

The 36 countries that ratified the convention on the transportation of waste—of the 104 that signed the Basel Convention in 1989—asked the developed countries for a detailed report on the progress made to prohibit the export of waste.

It is hoped that by the first meeting scheduled for 1994 enough progress will have been made by the developed world on this issue to prevent further contamination of the environment.

The treaty members hope that Japan, the United States, and the 11 EC countries that currently are committed to the ratification of the convention conclude their internal processes to become obligated to the international law on the transfer of waste.

France is the only EC country that has ratified the convention.

The majority of the countries that agreed in 1989 on the treaty's text attended the meeting in Piriapolis, 96 km east of Montevideo, and participated in the debates after several developing countries, with the support of environmental organizations, promoted a harsher stand by the international convention.

The "Greenpeace" international environmental organization, which attended the meeting as an observer, asked for the prohibition of the transportation of all kinds of waste, not only toxic, to prevent "cover" development projects that use poor nations as "waste dumps for the industrialized countries."

The developed countries that have not ratified the convention on the transportation of toxic waste produce 95 percent of dangerous waste, and the United States is among the first.

UN Environmental Progam Executive Director Mostafa Tolba said: "It is obvious that without the ratification by the United States and its active participation in the treaty's implementation, the Basel Convention will not fulfill its objectives."

Tolba added: "The traffic in poisons is a profitable business and there will be a growing number of middlemen in the world anxious to get benefits."

The meeting's conclusions indicated that it costs $40 [no unit specified] to eliminate waste in Africa while in Europe and the United States the cost is from $150 to $1,500.

Tolba said: "The most dangerous waste will always go for the lower cost." He noted the importance of the prohibition to prevent the Third World from becoming the developed world's waste dump.

British Labor MP Proposes Banana Tarriffs, Quotas

FL0112011492 Bridgetown CANA in English 2052 GMT 30 Nov 92

[Text] Roseau, Dominica, Nov 30, CANA—British labour member of Parliament John Walker, has suggested that a real threat exists for Caribbean bananas in Europe, from Latin American "dollar bananas" entering the European market through Germany.

Addressing members and supporters of the Dominica Labour Party at their convention rally Sunday in the village of Grandbay about 10 miles south of here, Walker said this danger existed because at the moment there were no restrictions on imports of Latin American bananas into Germany.

"It's quite clear that one of the possibilities is that on January 1, 1993, because of the freedom of movement and harmonisation of imports in Europe, what is to stop the retailers in Britain sending their lorries to Germany and bringing into Britain the dollar bananas which have free access into the German markets," Walker observed. He stressed that the issue needed to be addressed. The MP said a solution could come in the form of quotas or tariffs, to ensure that the economies of the Eastern Caribbean were protected.

The British labour MP had earlier endorsed the view that unbridled free trade could wreck the economies of several countries in Africa, the Caribbean, and the Pacific region. Walker agreed that Dominica would be one of those destroyed economically "if we do not stop this move towards the Americans' ideal of free trade."

He was critical of what he called the excuse being advanced, that giving preferential treatment to the Caribbean would be seen as creating a precedent which a country like Japan would want to take advantage of by also asking for exemptions. Denying such exemptions to the Japanese would not destroy their country's economy, while that would clearly be the case for the Eastern Caribbean, Walker told Dominica Labour Party members and supporters. He suggested that Britain and the rest of Europe should begin to understand that the Caribbean was not playing on a level playing field.

Further Reportage on Rio Group Summit

Text of Declaration

FY0412133592 Asuncion PATRIA in Spanish 3 Dec 92 p 8

["Text" of the "Buenos Aires Declaration" issued by the presidents of the Rio Group in Buenos Aires on 2 December]

[Text] 1. The heads of state and government of member countries of the permanent mechanism for consultation and political agreement—Rio Group—met in Buenos Aires on 1-2 December to discuss international and regional issues.

2. In an atmosphere of calm dialogue, the presidents reviewed a broad spectrum of political, economic, and social topics of concern and interest to the region. They basically agree in their evaluation of such topics, and on possible solutions.

3. They emphasize that the Rio Group has consolidated its identity and role as an international interlocutor, a role they vowed to intensify.

4. They reiterate their commitment to representative democracy and to the defense and full enforcement of human rights.

5. They reiterate their most firm solidarity with Venezuelan President Carlos Andres Perez and with the people and government of Venezuela, and reaffirm their condemnation of the new attempt to violently disrupt the constitutional order in that country. They emphasize their unrestricted support for Venezuelan democracy.

6. They recognize the positive outcome of the election in Peru on 22 November which they regard as a major step toward fully restoring representative democracy and the respect of human rights in that country.

7. Concerned about the serious situation that continues to prevail in Haiti, they reaffirm their commitment to support the prompt reestablishment of a constitutional government and full respect for human rights in that country. They also reiterate the maintenance of the courses of action and major measures undertaken within the framework of the OAS, with the cooperation of the United Nations.

8. Regarding the situation in Cuba, they reaffirm the declaration issued by the presidents and heads of government of the Rio Group in Cartagena in December 1991.

9. They convey their full support to the legitimate government of Suriname, stating that they are carefully following its efforts to consolidate democratic order in that sister republic.

10. They express satisfaction with the decisive progress made in the process of pacification, dialogue, and reconciliation in Central America and commit their political will to back such progress.

11. They emphasize the importance of dialogue among the parties that seek peaceful solutions to all territorial disputes in Latin America.

12. They reaffirm the significance and importance, and their hopes of the success, of the 16th special period of sessions of the OAS General Assembly which will take place in Washington D.C. In this context, they emphasize the need to further study ways to revitalize the inter-American system.

13. They emphasize the decision and commitment by the Caribbean member countries of the Rio Group to strengthen the already close ties that exist between the two regions through initiatives, meetings, and mechanisms that would strengthen such ties. They welcome the Caricom [Caribbean Common Market] proposal to form an association of Caribbean states with a view to expand the regional and subregional integration process.

14. Concerned about the need to preserve the region as a zone of peace and nonproliferation and free from nuclear weapons, the presidents praise the major step forward this year in this area and voice satisfaction over the upcoming full implementation of the Tlatelolco Treaty.

15. They recognize the undeniable progress made in Latin America and the Caribbean toward achieving a stable, sustained, equitable growth. They emphasize the favorable results stemming from market economy programs with social content being implemented in the region that seek to promote its effective incorporation into the world economic market.

16. They pledge to continue to strengthen political, economic, and social programs that seek to create favorable conditions for the most vulnerable groups of people, enabling them to ultimately gain access to development, and to eradicate structural imbalances, particularly the conditions of poverty and backwardness that still affect our countries.

To this end, they agree to promote dynamic, modern, and sound institutional and administrative changes to help to consolidate and improve an effective, participatory democracy.

17. They view with satisfaction the progress made in the regional integration process through the strengthening of subregional and bilateral efforts and state that this is a fundamental factor for securing a larger economic space for Latin America and the Caribbean.

18. They express satisfaction with the conclusion of governmental negotiations that resulted in the signing of a free trade agreement by Mexico, Canada, and the

United States; and they express their desire for expeditious approval of the agreement which opens prospects for free trade and development for the entire hemisphere.

They urge the various multilateral organizations promoting Latin American integration, as well as those national or international organizations charged with promoting free trade agreements, to submit to the next Rio Group summit a program containing a reconciled proposal of the various trade integration processes with a view to setting up a single free trade zone for the Americas.

19. They attach fundamental significance to the imminent conclusion of the Uruguay Round. They state that its conclusions should stem from clearly multilateral negotiations establishing an international free trade system. This should be a stable system that will preclude discrimination and will ensure equitable access by export items into consumer markets. In this regard, they state that the exports of basic products are highly significant for their economies; thus, they advocate the need for final agreement on the Uruguay Round, thus liberating these exports from unfair competition from developed economies or through arbitrary trade restrictions.

They highlight the threats posed by protectionist measures adopted against some of their export items by some countries or regional blocs, adding that a trade war would be very serious and would jeopardize the development progress achieved through all the economic adjustment policies implemented in the region. They express their desire that the negotiations concerning basic products for Latin America and the Caribbean conclude in agreements that would be satisfactory to producers and consumers alike.

20. Conveying satisfaction over the fruitful work, dialogue, and cooperation existing between the Rio Group and the European Community, they reiterate their full support for meetings and institutionalized mechanisms established in the Declaration of Rome. They positively evaluate the progress made through trade talks held between the two regions in Brussels in October 1992 and express the need to maintain this dialogue. They emphasize the significance of the steps taken by the European Investment Bank (BEI) to finance projects in the region. They instruct their foreign ministers to promote—through every possible means— political, economic, social, and cultural relations between the two regions with a view to increasing mutual trade and the flow of investments. They also decide to promote dialogue to strengthen ties with all other regions.

21. They express their concern over attempts to give the legislation of any country an extra-territorial character, considering these attempts intrinsically incompatible with international law and harmful to the sovereignty of members of the international community.

22. They stress their support for the convention and preparations for the 1995 "Social Development World Summit" because it will contribute to economic development with equality. They agree to create a special working group to prepare a document on the issues of poverty, unemployment, and backwardness to be submitted for consideration by the heads of state and governments at the next Rio Group meeting.

23. They outline the importance of the upcoming Ibero-American summit in Salvador, Bahia in 1993.

24. They stress the importance of the Latin American Parliament studies and initiatives taking special interest in its proposal for a "Latin American Community of Nations." They will instruct their foreign ministers to make a joint evaluation of the initiative during 1993.

25. They reiterate the high priority and importance of the initiative called the "Common Market of Knowledge" and will support its implementation and the basic lines of conclusions adopted at the universities and research centers meeting in Punta Del Este in November 1992. They will instruct their education ministers to continue the studies and actions in support of this initiative.

26. They recognize that, to promote regional integration, it is necessary to take into account cultural differences and eliminate language barriers. They support the proposal to create a Latin American center at the University of the Antilles, in Mona, to intensify exchange and understanding among Latin American and Caribbean countries and to promote a greater cultural integration between their peoples.

27. They give special attention to the serious consequences of the illegal production, trafficking, and consumption of narcotics, reiterating their concern for the growth in the world demand of psychotropic substances and their social, political, and health effects.

Within a context of shared responsibility and of seeking integrated solutions, especially for alternative development, they stress the need to strengthen multilateral efforts, seeking to intensify cooperation among states. They likewise endorse the initiative of sponsoring a world summit to analyze the different aspects of drug trafficking.

28. They reassert the importance of the "Rio Conference on the Environment and Development" (June 1992), especially the need to ensure sustained development. They likewise express their political commitment to continue to promote in all countries the effective implementation of the agreements and decisions of the Rio conference, especially in developed countries regarding financial commitments and transference of technology.

The presidents underscore the importance of summoning an international deep-sea fishing conference.

29. They view with satisfaction the financial and institutional support of the IDB [Inter American Development Bank] to initiate the activities of the Latin America and the Caribbean Indigenous People's Development

Fund and agree on the need for country members to allot funds from their respective national budgets to guarantee the functioning of the mentioned fund.

30. They express their most firm rejection to the expressions of racism and xenophobia, and their deep concern over the violent reappearance of old ethnic and religious conflicts in several regions of the world.

31. They agree to hold the 7th presidential summit of the Group of Rio in the Republic of Chile, on 15 and 16 October 1993.

32. The chiefs of state and governments expressed their most sincere thanks to President Carlos Saul Menem for the warm hospitality of the Argentine people and government during the 6th presidential summit of this permanent mechanism of political consultation and agreement of the Group of Rio.

Approval of Caribbean Association

FL0412234392 Bridgetown CANA in English 2202 GMT 4 Dec 92

[Text] Kingston, Jamaica, Dec 4, CANA—The Rio Group, the informal forum that attempts to coordinate Latin America's response to global issues, is supporting the English-speaking Caribbean's call for a loose association of countries with a Caribbean shoreline to help deepen integration in the hemisphere.

The proposal of the so-called Association of Caribbean States (ACS), which would include non-English-speaking countries, was one of the key recommendations of the West Indian Commission that was charged by the Caribbean Community (Caricom) to chart a way forward for their movement into the next century.

The leaders of Caricom, a 13-member trade and functional cooperation Grouping of present and former British colonies in the region, approved the concept at their October summit in Port of Spain. Jamaica's prime minister, Percival Patterson, took the issue to a Rio Group Summit in Buenos Aires this week. Jamaica represents Caricom and Rio Group meetings.

"The leaders .. approved the decision by Caribbean Community heads of government to establish an Association of Caribbean States..," the official news agency Jampress reported from Argentina. However, the Buenos Aires summit, Jampress said, "recognised the Caribbean as a distinct sub-region, needing special measures to ensure its integration in the mainstream of development within the hemisphere."

The acceptance by the Latin American leaders of the Caribbean as a "distinct sub-region" requiring special treatment appeared to be a direct response to Patterson's plea that while the deepening of economic cooperation in Latin America and the Caribbean was desirable, Caricom countries needed time to "adjust and modernise" their economies in order to become "internationally competitive."

Patterson said that with the advent of international trading blocs, Caricom had to be careful that its special concessionary trading arrangements with more powerful economies were not changed so rapidly as to lead to collapse of economic and social stability. A proposal by Patterson for the creation of a Latin American centre to cement cultural, scientific, and academic ties between the Caribbean and Latin America was also accepted.

Patterson suggested that the centre be set up at Jamaica's Mona Campus of the University of the West Indies (UWI). The news agency made no mention of funding for the project. In pushing for the centre, Patterson said that in addition to an interchange of diplomatic contact and commercial intercourse, there was also the need to break down cultural and language barriers in order to further the integration process.

"We have to enhance knowledge among the peoples of the Caribbean and Latin America and advance understanding in all areas—in culture, education, science and technology," Patterson said. The Buenos Aires Declaration summarising the meeting supported Patterson:

"(The leaders) recognised that to promote regional integration, it is necessary to recognise cultural diversity, while removing barriers of language," the declaration said. "The leaders underlined the decision and the commitment of Caribbean member countries of the Rio Group, to enhance the existing relationship between the two regions, through initiatives, meetings, and mechanisms that will consolidate such bonds," it said.

Leaders from host nation Argentina, Bolivia, Brazil, Colombia, Ecuador, Honduras, Paraguay, and Mexico also attended the meeting.

Enduring Differences Viewed

PY0412203592 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1426 GMT 3 Dec 92

[Report by Jose Maria Monzon]

[Text] Buenos Aires, 3 Dec (NA)—The sixth Rio Group presidential summit has shown that there still are differences among the main Latin American countries that prevent them from establishing a common position regarding important issues such as Cuba, Peru's reinstatement in the Rio Group, and the political consequences of economic adjustments being implemented in the region's democracies.

The differences are particularly evident when two groups, comprised of Mexico, Venezuela, Colombia, Uruguay, and Chile on one side and Argentina on the other, oppose each other as a result of the position they chose to adopt in their relations with the United States.

In spite of the free trade agreement President Carlos Salinas de Gortari signed with Washington and Canada, the Mexican Government continues to have a reasonable independence regarding its foreign policy. Mexico thus

opposes proposals such as the Argentine ones, which are a result of its close turning to the developed Northern countries.

As happened previously at the Cartagena de Indias Summit, the Cuban issue again created confrontations, and Mexico and Argentina became the main opponents.

Based on the principle of nonintervention in the domestic affairs of other countries, Mexico leads the group of countries that deems it extremely inadequate to explicitly condemn Fidel Castro's regime and that agrees only to exhort Castro to implement measures allowing an economic and political opening of Cuba.

Menem's administration, however, believes that the alleged lack of freedom and human rights violations go beyond the Cuban borders and affect Latin America as a whole. This would have us believe that Argentina somehow favors the implementation of the Torricelli Bill, which establishes serious economic sanctions against Cuba, thus contradicting the other Rio Group countries' rejection of the bill.

The Rio Group summit final report definitively reflected the position adopted by Mexico, although this does not mean that the Argentine Government agrees to moderate its restrictions on the only socialist regime in the American continent.

Uruguay and Chile were Salinas de Gortari's only two allies in favor of opposing the Argentine Foreign Ministry's belief that if the Chilean and Paraguayan dictatorships were rejected in the past, there is no reason not to do the same now. Debates on the situation of Peru, which was temporarily excluded from the Rio Group after President Fujimori's self-coup, rather disappointed the Argentine representatives who proposed Peru's immediate reinstatement in the group. In the opinion of the Menem administration, the Peruvian elections held on 22 November sufficiently prove that the people wish to reestablish democracy in the country.

Venezuela firmly opposed the decision to immediately reinstate Peru in the group because this could be interpreted as weakness in the face of possible coups d'etat in the region.

The Venezuelan representatives were especially sensitive to the issue, particularly after Fujimori's decision to grant political asylum to a group of Venezuelan soldiers who participated in the frustrated coup against President Andres Perez on 27 November.

In addition to that, Venezuela has not resumed diplomatic relations with Peru after Fujimori staged the self-coup and dismantled Congress.

Disagreements among the Rio Group countries also became evident when the forum began discussing the political consequences of economic adjustment policies on the stability of the region's democratic regimes. To Argentina, the worst adjustment is economic disadjustment and disorder.

Menem's reasoning tends to dissemble the social consequences of the rationalization and deregulation policies and to make the hyperinflation ghost seem the worst punishment the poor can be subjected to.

Mexico and Colombia, for example, believe that if a program does not show concern for social problems, it openly conspires against democracy [words indistinct] market economy point out that it is necessary to consider the interests of the most destitute.

Rodriguez Addresses Summit

PY0512153392 Asuncion ABC COLOR in Spanish 2 Dec 92 p 13

[Excerpt] In a speech, he delivered during the Rio Group summit meeting, President Andres Rodriguez emphasized that democratic principles are fully respected in Paraguay. The president listed the achievements of the transition process. High on the summit's agenda were the Venezuelan crisis and the growing cost of economic adjustment in Latin America. President Rodriguez will return to Asuncion today.

In his speech, Rodriguez said: "The Paraguayan democratic process is irreversible." He added: "I would like to tell the presidents that democratic principles are fully respected in Paraguay. If we talk about a transition it is because in the past we had no democratic transition; today we live in a state of law and in full freedom."

The president said that "we approved a new Constitution in a national Constituent Assembly that was democratically elected. We have also amended the Electoral Code and the bylaws of political parties, which have full guarantees for their activities.

He added: "Political parties are now holding their internal elections. We are calling for elections in May 1993 to elect the president, vice president, senators, deputies, and governors for the next constitutional period, which begins 15 August 1993." [passage omitted]

Cuba

Ambassador Comments on UN Human Rights Resolution

PA0512033892 Havana Radio Havana Cuba in Spanish 0100 GMT 5 Dec 92

[Telephone interview with Alcibiades Hidalgo, Cuban Ambassador to the United Nations, by Margarita Barrios on 4 December—recorded]

[Text] [Begin recording] [Barrios] We would like to hear your opinion on the document approved on 4 December.

[Hidalgo] The most significant aspect of the 4 December voting in the UN General Assembly's Third Commission consisted of the United States' procedural maneuvers to prevent voting on a plan proposed by Cuba in which the Cuban Government stressed its willingness to continue collaborating with the United Nations in the area of human rights through the usual, established procedures; in other words, through correspondence with the secretary general and UN officials on various human rights issues. Cuba has always collaborated with the United Nations on those issues.

The plan presented to the UN General Assembly on this occasion reaffirmed Cuba's willingness to continue collaborating. At the same time, Cuba noted it would be unnecessary to continue the so-called special rapporteur procedure, applied in cases of grave human rights violations. This special rapporteur was imposed by the United States at the Human Rights Commission in Geneva with a minority vote, with the support of Nordic countries.

Now, through procedural maneuvers at the United Nations, the United States has prevented Cuba from presenting for discussion a motion on this subject. Instead, the United States proposed a resolution—presented by the United Nations and supported by several European countries—stressing that Cuba must accept the mandate for a special rapporteur on human rights to supervise this exercise in our country. Cuba has rejected this procedure, which it considers unjust, arbitrary, exaggerated, and not consonant with the real human rights situation and real respect for human rights that exists in our country. Naturally, the Third Commission's spurious decision in which [passage indistinct] procedural irregularities cannot be considered legitimate.

We know perfectly well that the U.S. delegation exerted great pressure on the Third World countries through the various means at its disposal to prevent a favorable vote from the Third World for Cuba. The number of abstentions, or countries that did not participate, was very high. The U.S. resolution was approved with votes from one-third, or much less than one-third of the UN members, basically from Nordic countries. That is more or less what happened on 4 December at the UN General Assembly. Frankly, it was an example of lack of democracy, in which the Austrian president of that commission played an important role, supported by countries such as Hungary that also went to great lengths to support the U.S. resolution.

[Barrios] What was the exact number of votes?

[Hidalgo] The final results of the voting showed 64 countries in favor, 17 against, 59 abstentions; the rest, approximately 40 countries, did not participate in the voting.

[Barrios] We understand that countries like Chile and Guatemala, where human rights have been flagrantly violated, have had special rapporteurs. In other words, we would be placed in the same position.

[Hidalgo] Exactly [passage indistinct] at the United Nations. This decision was adopted in 1991 by the Human Rights Commission in Geneva. The United States now presented a resolution fabricated around the existence of special rapporteurs, who are appointed by the Human Rights Commission in Geneva, in which not all UN members are represented, only some of them, approximately 50 countries. The decision adopted by the Human Rights Commission was also basically supported by the United States and its main allies in the industrialized world. Those countries use that weapon not only against Cuba but against many developing countries, by judging countries for alleged violations of human rights, turning the subject of human rights, a very sensitive and important topic for all of us, into an instrument of political pressure against Third World countries. [end recording]

Vice Foreign Minister Comments

PA0412010792 Havana Radio Havana Cuba in Spanish 0000 GMT 2 Dec 92

[Report by correspondent Beatriz Padron]

[Text] Cuba has asked the United Nations to invalidate the appointment of a special human rights rapporteur in Cuba, because the decision was made under U.S. pressure and without the support of the nonaligned countries or of the Third World.

[Begin Vice Foreign Minister Sanchez-Parodi recording] The United States is using the topic politically once again, trying to use it in a discriminating and selective manner against Cuba, trying to attract international support, which has been denied up to now, for this new form of aggression against our country, this new form of aggression against the system the Cuban people have established, against the Cuban people's right to self-determination. We ask the international community once again to reject this new attempt by the United States. [end recording]

Cuba has presented a draft resolution to the UN General Assembly in keeping with its rejection of this U.S. action. The UN General Assembly will discuss this

resolution before another one that was submitted by the United States which sought to condemn alleged civil rights violations in Cuba.

[Begin Sanchez-Parodi recording] Cuba has submitted a resolution wherein it rejects or establishes that the report by the so-called special rapporteur is baseless. The resolution also calls for a discussion and reevaluation of what that rapporteur said in his report and declares this new U.S. action null. [end recording]

Vice Minister Ramon Sanchez-Parodi commented on the U.S. arguments about the alleged international isolation of the Cuban revolution.

[Begin Sanchez-Parodi recording] The international community, on expressing its overwhelming support for Cuba's position in the United Nations and leaving the U.S. position isolated with only two votes, shows clearly, as was stated by a U.S. candidate for secretary of state, that it is the United States which is isolated internationally in its policy toward Cuba. [end recording]

U.S. 'Pressure' Viewed

PA0612134292 Havana Radio Havana Cuba in Spanish 0000 GMT 6 Dec 92

["Our America" Commentary]

[Text] Political pressure from the United States led the UN General Assembly Third Commission to approve a U.S. resolution—based on outright lies—that focuses negatively on respect for human rights in Cuba. The vote was as follows: 64 in favor, 17 against, and 59 abstentions. That means 76 nations rejected or preferred to extricate themselves from an openly manipulated and accusatory resolution against Cuba. Several delegations that abstained from voting or that simply were not present at the time expressed their respective governments' full opposition to the manipulation of the human rights issue. The United Stated has appointed itself the international judge of human rights and as such it acts against Cuba, as can be seen in its actions at the United Nations since 1987.

The White House used legal tricks to obtain the approval of exceptional and unjustified procedures against the Caribbean island. In July the UN Social and Economic Council approved the decision to appoint a special rapporteur to Cuba. The post is currently held by [Swedish Ambassador] Carlo Johan Groth. The Nordic diplomat recently distributed a biased report at the United Nations on alleged violations of citizens' liberties in Cuba. The text, based on lies transmitted by counterrevolutionary groups, was distributed immediately prior to the casting of votes on 4 December at the UN General Assembly Third Commission. Groth's report was written to suit the United States as the outgoing administration wants to transfer U.S.-Cuban relations on the verge of exploding to the incoming democratic administration. Contrary to the Swedish diplomat's document, there are no political assassinations, torture, missing persons, xenophobia, ethnic conflicts, or neonazism in Cuba as in other nations, where more attention should be paid to those problems. Without being perfect, there is a broad guarantee of autonomous political democracy in Cuba accompanied by full employment and free access to education and health services. Despite those things, Cuba is a victim of what was correctly labeled as geographic selectivity in the analysis of human rights violations. That appraisal was made by Jorge Montano, Mexican ambassador to the United Nation. Montano recently said at the world forum that it was regrettable that the dangerous tendency continues to confuse what should be an objective assessment with considerations far removed from the humanitarian spirit. Cuba will not accept arbitrary resolutions that respond to U.S. ultimatums. Nevertheless, the island reiterates its commitment to cooperate with the procedures established for human rights based on impartiality and objectivity but not selectivity.

Pressure To Erase 'Diplomatic Victory'

PA0412193992 Havana Radio Havana Cuba in Spanish 0000 GMT 4 Dec 92

[Commentary by Roberto Morejon]

[Text] The United States is hoping that a report on alleged human rights violations in Cuba presented to the UN General Assembly may help to erase the memory of Cuba's recent diplomatic victory when that forum decided to condemn the U.S. economic blockade against the island.

If it is true that Swedish representative (Karl Johann Grot) was carrying out a mandate authorized by the UN Human Rights Commission when he presented his slanderous report, it is no less true that he presented it at a time when it would coincide with the voting that took place at the UN General Assembly on the economic blockade issue.

As will be recalled, last week the UN General Assembly approved a Cuban sponsored resolution rejecting the U.S. economic coercion against the island with 59 votes in favor, three against, and 71 abstentions. The General Assembly vote also condemned the tightening of the economic blockade that has come about as result of the Torricelli bill.

The Swedish diplomat decided to circulate his report, which is laden with numerous lies and inaccuracies regarding the alleged transgression of citizens' rights in Cuba, at the same time that voting was taking place at the General Assembly.

To the United States, which is behind all the manipulated anti-Cuban votes approved by the UN Human Rights Commission, (Karl Johan Grot's) conduct is a long awaited opportunity to put Cuba on the spot. From Washington's viewpoint, a summons such as this would mitigate the negative impact of the UN General Assembly's resolution against the blockade.

On the other hand, Cuba requested the United Nations to invalidate the procedures applied to this nation by virtue of alleged human rights violations. The Cuban Government presented a proposal based on the fact that the appointment of a special rapporteur for Cuba, currently the Swedish diplomat, came about as result of U.S pressure.

Cuban expert Pedro Nunez Mosquera, director of the Multilateral Affairs Department of the Cuban Foreign Ministry, recalled in Havana that in 1988 a UN Human Rights Commission visiting Cuba clearly stated the nonexistence of flagrant human rights violations on the island.

U.S. 'Rapprochement' Team's Visit Cancelled

PA0412193092 Mexico City NOTIMEX in Spanish 0101 GMT 4 Nov 92

[Text] Havana, 3 Dec (NOTIMEX)—Dissident organizations have confirmed to NOTIMEX that the Cuban Government cancelled a visit by a U.S. delegation seeking a rapprochement between Cuba and Washington. The reason for the cancellation was allegedly that the delegation was scheduled to meet with the opposition.

Elizardo Sanchez, president of the Commission for Human Rights and National Reconciliation, said that Fidel Castro's government could not accept the fact that the delegation planned to meet with opposition group members.

He confirmed that he and the following people were to attend the meeting with the U.S. mission: Vladimiro Roca and Rolando Prats, leaders of the Democratic Socialist Current; Gustavo Arcos, president of the Cuban Human Rights Committee; and Osvaldo Palla, of the Liberation Movement.

Sanchez said the government's refusal reveals the increasing "immobility" in the top ranks of the Communist Party and the island's government. "It is strong evidence that those leaders are the main obstacle to national reconciliation and to resolving the economic problems that burden most of the population," he asserted.

The U.S. mission was coordinated by Wayne Smith, former U.S. Interests Office director in Havana, and was to arrive on 6 December. The mission was made up of a dozen Republican and Democratic scholars and former U.S. Government officials.

The U.S. group hoped to meet with officials in Fidel Castro's administration, Cuban Communist Party leaders, intellectuals, religious figures, and representatives of the country's most moderate opposition groups.

Its organizers said the group wanted to prepare a report with recommendations for future U.S.-Cuban policy and attempt to find mechanisms to restore bilateral ties.

Politicians close to President-elect Bill Clinton were in the "foiled mission," as diplomatic sectors have chosen to call it.

George McGovern, former Democratic Party candidate to the U.S. presidency, and Nancy Soderberg, former assistant to Senator Robert Kennedy and foreign policy adviser in the President-elect's transition team, were members of the aforementioned delegation.

Arthur Schlesinger, special adviser to former President John F. Kennedy, and Chris Herter, an official in President Dwight Eisenhower's administration, were also part of the mission to Cuba.

PRC, Officers Meet To Discuss Cooperation

PA0512194992 Mexico City NOTIMEX in Spanish 2054 GMT 4 Dec 92

[Text] Havana, 4 Dec (NOTIMEX)—It was learned here on 4 December that high-ranking Cuban and Chinese military officers have held meetings in Havana to exchange information and strengthen military relations between the two countries.

In the past few days, Cuba and the PRC have intensified reciprocal high-level visits to expand their military and economic relations for 1993.

A high-level PRC delegation led by Lieutenant General Liu Mingpu was received by officials of the Cuban Revolutionary Armed Forces [FAR].

According to official reports, the officers had in-depth discussions about the structure, role, and mission of the two nations' armed forces.

The talks also dealt with the area of military cooperation in pursuit of the Armed Forces' assigned tasks "as safeguards of their respective peoples' achievements," and in defense of socialism.

In addition to Lt. Gen. Liu Mingpu, the Chinese delegation also included Major General Zhang Liping [name as received], chief of the People's Liberation Army medical services.

The Chinese delegation was received by Cuban Division Generals Ulises Rosales del Toro and Julio Casas Regueiro, vice ministers of the FAR.

The Chinese officers arrived in Havana on 25 November to meet with high-ranking military officers, leaders of the Communist Party of Cuba, and Cuban Government officials.

Havana and Beijing are currently considering the possibility of substantially expanding their trade relations in 1993.

Consular Treaty Signed

FL0512001392 Havana Cuba Vision Network in Spanish 2320 GMT 4 Dec 92

[Text] A document ratifying the consular treaty with the PRC was signed today at the Cuban Foreign Ministry. It will take effect on 3 January 1993, and was signed in Havana by Cuban Vice Foreign Minister Mario Rodriguez Martinez and Chen Jiuchang, the ambassador extraordinary and plenipotentiary of the PRC in Cuba. This document yexpands and strengthens the relations of friendship between the two countries in consular matters and those concerning citizens of the two nations. Both signers stressed that this treaty is also a guarantee for other fields.

UN Intervention in Somalia 'Dangerous Precedent'

FL0712011392 Havana Tele Rebelde and Cuba Vision Networks in Spanish 1800 GMT 6 Dec 92

[Commentary by Eduardo Dimas]

[Text] On 3 December, the UN Security Council approved, by a vote of 15 in favor, Resolution No. 794 in which it is decided to intervene in Somalia for—they say—purely humanitarian reasons. In other words, for the first time in the history of the United Nations, the Security Council voted to intervene in the internal affairs of a nation, thereby setting a dangerous precedent. Where such a precedent will lead is difficult to see.

There is no doubt that the country chosen around which to set that precedent requires help. The victim of a terrible drought that has gone on for years, Somalia has been involved in a cruel civil war that has left it submerged in an economic, political, and social chaos which in turn has prevented international aid from reaching the millions of people that need it. Although the civil war left thousands of people dead, hunger and its eternal companion, disease, are threatening to kill more than a million Somalis. Seen from that angle, the decision is thoroughly humanitarian, and no one can criticize it.

However, from the political point of view, and considering what has been the norm regarding international coexistence in the past 40 years, the resolution falls out of step with three basic principles: independence, sovereignty, and non-interference in the internal affairs of nations. And it is here that the danger lies.

UN Secretary General Butrus-Ghali termed the decision historic, and said it is a very important decision because it will buttress the United Nation's new role and help the Somali people. For his part, Pope John Paul II claimed the right to intervene for humanitarian purposes, as opposed to the principle of non-interference in the internal affairs of a nation, in situations that seriously compromise the survival of populations. It will be up to the United States—precisely: the United States, one of the prime movers of the resolution—to direct the military operation in Somalia, to which it will contribute 28,000 men and a goodly part of the logistics of the invasion, which, moreover, is considered easy, militarily, given Somalia's state of impoverishment and how fragmented resistance might be. That is, the nation that was the aggressor in Vietnam, Laos, and Cambodia; the nation that invaded Granada and Panama and played the principal role in the war against Iraq, is now in charge of carrying out that humanitarian intervention.

I think you will agree with me that the choice could not have been worse.

There are several questions to answer: Why is this decision being reached now, when the Somali problem has existed already for many months? Why Somalia and not Yugoslavia, a country also facing a civil war and where aid is not reaching thousands of needy people, who moreover, suffer harsh winters? This inclines me to think that the intention is more to set a precedent than to provide humanitarian aid, even though the UN secretary general and the pope think differently.

Through this step, the security council turns into a world supergovernment to the benefit of the United States and other developed countries. What Third World nation will be the next to have a humanitarian intervention applied to it? Henceforth, the principles of sovereignty and independence will depend on the interpretation given them by the United States and its allies. That is, in my opinion, the political remnant that will be left by the security council resolution, however allegedly humanitarian its objectives may be.

Government Frees Two More Political Prisoners

PY0412121692 Madrid EFE in Spanish 0155 GMT 4 Dec 92

[Text] Havana, 3 Dec (EFE)—Spanish sources report that two political prisoners, whose liberation was requested by Galician (Spain) Regional Government President Manuel Fraga, were freed today and put on board a "Cubana de Aviacion" flight to Madrid.

Sources have identified them as brothers Gerardo and Juan David Jimenez Ramos, who were sentenced to 30 years in jail in 1980 for forcing their way into the Apostolic Nunciature in Havana, resulting in the death of one employee.

On 1 December, the government freed Silvio Aguila Llanes and Alexis Corzo Rodriguez, who also flew to Madrid. Llanes was sentenced to 30 years in prison for attempting to hijack a Cuban tourist ship seeking to sail to the United States. Ten people died during the incident. Corzo was serving an eight year sentence for painting antigovernment slogans.

The four prisoners are part of a group of 54 whose liberation was requested by Fraga during Castro's visit to Galicia following the second Ibero-American summit in July.

The Galician leader has already obtained the liberation of 19 prisoners.

Castro Speaks at Hospital Ceremony

FL0412030592 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 4 Dec 92

[Text] Commander in Chief Fidel Castro, the president of the Councils of State and Ministers, gave the closing speech at the ceremony for the 10th anniversary of the Hermanos Ameijeiras Hospital and Latin American Medicine Day.

[Begin Castro recording] It can be said that our medicine in general has progressed a lot in these 10 years. Really, the idea of our becoming a medical power has become a reality in these 10 years. We are also becoming a power in the medical sciences, and a power in science in general. One of the fields in which we have made the most progress is precisely the field of medicine. We are making a lot of progress in the fields of biotechnology and the pharmaceutical industry.

Why, in spite of our progress in the field of the pharmaceutical industry, do we not have all the medicines we need? Because no country can produce all its medicines. Many medicines must be imported in any case, or if they are generic drugs they must be reformulated. The raw materials must be extracted. They must be processed. We have worked in all these fields. The technical medical laboratory has worked on this a lot. If we produce many of those generic drugs here we will reduce the costs, and they are working on hundreds of medical products with these generic drugs, to work with them here and produce them here after importing the raw materials. But this is a complex process.

But in addition, we are producing new medicines. We export new medicines and we import medicines that we do not and cannot produce in this country. There are some medicines that are cheaper to import than to produce. There are others that we cannot produce because they are complex or because you need quite sophisticated factories to produce them. So because of that, on the one hand we can say that we are developing the pharmaceutical industry and exporting drugs, and on the other hand, we hear that we lack medicines.

In spite of the efforts we are making, really these medicines are lacking primarily because of the country's shortage of resources, and the country has asked that they be used for those drugs that are essential. Nevertheless, we are working. We are making a great effort to try to maintain the availability of these medicines. [end recording]

The Hermanos Ameijeiras Hospital received the Carlos J. Finlay Order for its praiseworthy work for the public during these 10 years. The order was given to Director Dr. Raul Gomez Cabrera. The commander in chief was given a certificate for his contribution to this work in the people's service. Other certificates were also given to state and government officials for their support for the hospital. One very moving moment was Fidel's recognition of the work and dedication of this group of workers and the health care workers in general, who have had achievements with international impact, possible in spite of the difficult economic situation the country is experiencing.

[Begin Castro recording] And nationally, infant mortality was—according to news reports—about 10.4 or 10.5 [per 1,000 live births], when last year it was 10.7. We will wait for the end of the year, we will wait for 31 December, and we expect that at the end, on 31 December, we will have a rate two or three tenths less than the rate we had in 1991. I think this says a lot about what our medical services are like, about the efforts of the men and women—or better said, the women and men—who work in the health care services, [applause] because women are in the majority in this sector. The other health indicators show similar behavior in our country.

But you can see that there are very few countries that have infant mortality rates of less than 10. They are very rich, very developed countries. Infant mortality in the capital of the United States is more than 30 per 1,000 live births, more than 30 in spite of all the empire's resources. We are nearing 10, in spite of the embargo, in spite of our enormous difficulties, and in spite of the special period. I think that this rate, this detail, is really very revealing, and it is a reason for warmly congratulating all our doctors, our health care personnel, on this Latin American Health Day. [applause] Because our health indicators are the best in Latin America, the best in the Third World, and some of the best in the world. [applause] [end recording]

Urges Defense of Socialism

FL0412165292 Havana Radio Rebelde Network in Spanish 1255 GMT 4 Dec 92

[Text] We continue presenting a summary of the speech by our Commander in Chief Fidel Castro at the closing of the ceremony for the 10th anniversary of the Hermanos Ameijeiras Clinical Surgical Hospital and Latin American Medicine Day. Precisely in reference to this, our continent, and the convulsive situation being experienced by the majority of its peoples, Commander in Chief Fidel Castro said:

[Begin Castro recording] In Latin America, hospitals are being closed, school are being closed. This is the neoliberal policy which imperialism advocates so that the rich become wealthier by the day, and the poor become poorer by the day. What do they lament? That doctors are unemployed, nurses are unemployed, and teachers

are unemployed. What do they lament? That everything is deteriorating in terms of social assistance. Why did Bush lose the elections? Not only for the many reasons for which he lost, or for which he deserved to lose. He lost the elections because in the United States they overlooked health services, overlooked education, overlooked unemployment, overlooked social injustice too long. For this reason, all the lower income people, all those more discriminated against, all those exploited people voted in mass against Bush in the United States.

However, this country, embargoed by imperialism, a fenced-in country, can do things that no other Latin American country can do, things which not even the United States can do. [applause] This is the significance of the Revolution. This is the significance of socialism. This is the reason that we have to defend it at any cost because we can not resign ourselves to live in a unfair society; we can not resign ourselves to live in a society of exploitation. For this reason, regardless of difficulties, regardless of sacrifices, we will defend the Revolution and we will defend socialism. [end recording]

Castro Gives Speech to Construction Workers

PA0612040792 Havana Radio Havana Cuba in Spanish 0000 GMT 6 Dec 92

[Report by Nancy Lopez on "excerpts" of speech by Cuban President Fidel Castro on the "Occasion of the Day of the Construction Worker" in Havana on 5 December—recorded]

[Text] During Fidel Castro's nearly one-hour-long speech to construction workers at the Eastern Scientific Center in this capital, the Cuban president gave an account of the progress achieved by this sector, following the process of rectifying errors and negative tendencies. He mentioned the construction of hydraulic works, the rise of the contingents as a superior form of work organization, and the microbrigades that gave unprecedented stimulus to the housing program and social projects. All of this, he said, was impaired by the regrettable events in Eastern Europe, one of Cuba's main suppliers. Despite the limitations of the current phase, the nation perseveres with top priority programs such as tourism, biotechnology, and others, the Cuban leader confirmed. Here is an excerpt of Castro's speech.

[Begin Castro recording] Many of the programs we had were put off, and in some cases some were almost totally halted. Many programs were reduced to a minimum, even though they were very much needed, such as housing construction. Imagine how much work was put into carrying out the construction of 100,000 houses, then having those programs reduced to just a few thousand. This tragic situation in the wake of the socialist bloc and the Soviet Union's collapse has forced us to sacrifice a whole bunch of things and to struggle against the blockade, without the support of trade [words indistinct] means. This has been a real feat in every sense. Of course, it has translated into suffering great privations and making big sacrifices. Nevertheless, look at what we are accomplishing with the few resources we have. Look at how our people's organization, unity, and discipline is upheld. This is why we are not only able to face the special period but, we are also able to simultaneously carry out important tasks in the midst of so many limitations, such as the sugar harvest, the wheat planting program, and the entire food program. [end recording]

Fidel Castro underlined that Cuba's main resource is the spirit of sacrifice of its workers and its people, their intelligence, and their inventive capacity.

[Begin Castro recording] Our main resource is the people, their willingness, their spirit of struggle, their capacity to make sacrifices, their intelligence, their capability to look for solutions to the problems. They are inventors and innovators. Currently, there is no other place in the world where there is such a great movement of inventions and innovations as exists in our country. Shortly, the forum on spare parts and advanced technology will be held, in which I believe, 60,000 solutions will be presented. These are astronomic figures. How much intelligentsia, how many men and women full of love, enthusiasm, and affection for their fatherland will be looking for solutions to problems aggravated by the special period. You know what problems there are in the construction field. We are going through difficult times in regard to fuel supply. Approximately 40 percent more of the nation's revenue has to be earmarked for fuel. With what is left, we have to attempt to purchase the rest of the things such as food, medicines, and raw materials. This is the heroic struggle in which we have become involved just when we were achieving so many things. We have had to give up a large portion of these things—for now that is— because if there is one thing we have not given up and we will never give up, that is hope. We have not given up hope nor will we ever give it up. [end recording]

Fidel Castro, Raul Castro Nominated to ANPP

FL0512143692 Havana Radio Rebelde Network in Spanish 1000 GMT 5 Dec 92

[Text] Commander in Chief Fidel Castro is heading the list of precandidates to the National Assembly of the Peoples' Government [ANPP] approved by the plenum of the national directorate of the Committees for the Defense of the Revolution [CDR]. The proposal to the National Electoral Commission also includes Army General Raul Castro, Revolution Commander Juan Almeida Bosque, and Division General Sixto Batista Santana, as well as 130 individuals who have distinguished themselves by their activities and participation in revolutionary work, as well as for their moral quality and high patriotism.

CDR Deputy Coordinator Vicente Pineda, during a speech opening the candidate nomination session, stressed the responsibility which the forthcoming ANPP legislature will bear jointly with the Central Committee

of the Communist Party of Cuba in leading the country to victory amid the difficulties of the special period.

The plenum also approved a CDR resolution on the electoral process which will be read at the base-level organization on 17 December. The resolution reaffirms the CDR's support of the elections which will become another defeat for the enemy.

Haiti

Missing CONACOM Member Found Dead

FL0412170692 Port-au-Prince Radio Metropole in French 1145 GMT 4 Dec 92

[Text] We have on the telephone Professor Victor Benoit, head of the National Congress of Democratic Movements, CONACOM, who is announcing the death of Engineer Jacques Derenoncourt who was reported missing for two days in Port-au-Prince.

[Begin Benoit recording, in Creole] Very early this morning, his wife called us to tell us that on 3 December, between 2100 and 2200 GMT, his body was found on the hills of Morne-a-Cabrit. He was found in his car, shot by a bullet in the head. It is an abominable crime. It is a very tough blow to us. Jacques was not just a founding member of CONACOM. He was also an honest man. He was a professional technician who loved his family, the people, and Haiti and he struggled as hard as he could. [end recording]

Carre Summoned To Explain University Reform

FL0412225692 Port-au-Prince LE NOUVELISTE in French Vol 34 No 435, 3 Dec p 8

[From the "Swirls of the News" column]

[Text] National Education Minister Max Carre was due to present himself at the Senate on 3 December to answer questions on his latest decisions.

According to Senator Wesner Emmanuel (West), Minister Carre has tried to provoke a crisis within the crisis through his arbitrary dismissals. The parliamentarian has called these severe measures, quote, policy of the worst by Minister Carre, unquote.

Let us point out that the convening has been postponed to 8 December.

De Ronceray Rejects Assembly; Approves Reform

FL0412222292 Port-au-Prince Radio Metropole in French 1700 GMT 4 Dec 92

[Text] The Mobilization For National Development, MDN, leader Hubert De Ronceray expresses his opinion of the failure of the two sessions in National Assembly and of the crisis in the university.

He says it is an attempted soft coup d'etat that was deflected by parliament, which twice rejected the prime minister's convening decree. In a communique from the party, MDN accuses Marc Bazin of wanting to usurp the powers of the presidency of the Republic for himself. De Ronceray's party considers the attitude taken by the parliamentarians on 25 and 30 November a censure measure against the government issuing from the Villa D'Acceuil agreement.

Regarding the crisis in the university, De Ronceray's party, while deploring the incidents which occurred this week in the Faculty of Agronomy, says that the university must find its vocation as a center of higher learning and research, where the country trains scientists, technicians, and scholars. In its communique, MDN recalls that the national education minister introduced administrative redress measures in four faculties related to the persistent degradation of the situation within the university, based on files studied at length.

It is to be recalled that the national education Minister, Max Carre, is the MDN representative in the consensus government.

Grassroots Organizations Favor Aristide Return

FL0412230492 Port-au-Prince Radio Metropole in French 1900 GMT 4 Dec 92

[Text] Representatives of 13 peasant and grassroots organizations in Port-au-Prince said they favor the return of the ousted president during a press conference on 4 December in the Holiday Inn Hotel. The organizations' spokesmen presented themselves as survivors of the systematic repression raining on the country since the 30 September events. According to the young people coming from the poor neighborhoods of Port-au-Prince, the repression established as a governmental system has created more than 18,000 victims and provoked the exodus of about 70,000 people.

Jamaica

Manley To Meet With Carter, Butrus-Ghali

FL0412163892 Bridgetown CANA in English 1401 GMT 4 Dec 92

[Text] Kingston, Jamaica, Dec 4, CANA—Former Jamaica Prime Minister Michael Manley left for Atlanta, Georgia, Thursday [3 December] to meet with ex-United States President Jimmy Carter as part of efforts to mediate an end to Haiti's political crisis.

Manley is also expected to meet with United Nations Secretary General Butrus Butrus-Ghali.

Earlier this week Manley visited Cuba for talks with President Fidel Castro on the issue.

Manley has been seeking to mediate between ousted Haitian President Jean-Bertrand Aristide and the military installed Prime Minister Marc Barzin, following a request by the Organisation of American States (OAS).

Central Bank Workers Strike Into Second Day

FL0512151892 Bridgetown CANA in English 1502 GMT 5 Dec 92

[Text] Kingston, Jamaica, Dec 5, CANA—More than 100 unionised workers at Jamaica's Central Bank went on strike for a second straight day Friday [4 December], severely disrupting services.

The workers are protesting delays in salary increases recommended by the Salary Review Board.

The government has said that salary increases for public sector workers will be paid early next year after a "rational decision" is taken as to what the public purse could afford and how competing claims should be dealt with.

The government sees wage and price restraint as crucial to efforts to combat inflation which exceeded one hundred per cent on a point to point basis during the last financial year.

Trinadad and Tobago

Manning Promises Improved Interisland Transport

FL0412191392 Bridgetown CANA in English 1713 GMT 4 Dec 92

[Text] Scarborough, Tobago, Dec 4, CANA—Regular and frequent flights between Trinidad and Tobago, an improved ferry service and a new general hospital are the main promises to Tobagonians as they prepare for local government elections next Monday [7 December].

Those promises have come from Trinidad and Tobago Prime Minister Patrick Manning, political leader of the People's National Movement (PNM), on the campaign trail for control of the Tobago House of Assembly (THA).

Transport links are a key concern of Tobago residents of the twin island Republic.

Tobagonians protested the recent announcement by state-owned airline, BWIA, that it intends to reduce its daily flights to Tobago to two from December 12.

Manning subsequently mandated some of his cabinet ministers and BWIA to devise some way of introducing more flights to the island.

He has since announced that BWIA will lease one of the regional commuter airline, LIAT's, Dash 8 aircraft to supplement BWIA's service on the Tobago route from December 12.

But Tobago West Member of the Parliament Pamela Nicholson, is claiming some of the credit for the LIAT arrangement, saying she originally suggested leasing a LIAT aircraft to take up the slack.

Nicholson has raised the issue of inefficent and inadequate air and sea transport services between Trinidad and Tobago on several occasions in Parliament and on the National Alliance for Reconstruction (NAR) platform during the the election campaign.

Air Caribbean has been awarded the contract for the airbridge between Trinidad and Tobago, but is still awaiting approval for its aircraft from the Department of Civil Aviation.

Manning said that as efforts were made to improve sea transportation, the MF Panorama, which currently provides the inter-island ferry service, will go on dry dock in January and will be replaced by the MV Tobago.

The MV Tobago makes the occasional run to Tobago, but has been affected by recurring mechnical problems which Manning said would be fixed to eventually lead to regular service by both vessels.

Nicholson has stressed that trade in Tobago was dependent on the ferry service.

Manning has also promised to build a new general hospital in Scarborough, which he says is one of the priorities of the PNM.

Salinas Returns From Paraguay; Signs Agreements

PA0412220792 Mexico City Canal 13 Television Network in Spanish 1300 GMT 4 Dec 92

[Report by Roberto Garduno]

[Text] President Carlos Salinas de Gortari announced the evening of 3 December that the North American Free Trade Agreement [NAFTA] will be signed on Thursday, 17 December. The president returned on 3 December from a three-day tour of two countries where he attended the Rio Group meeting and the meeting with President Andres Rodriguez in Paraguay.

On 3 December, President Salinas de Gortari ended his state visit to Paraguay, the smallest nation of Central America [as heard], which will be celebrating its fourth year of democratic life this coming February, after three decades of military rule. The Mexican president laid a floral wreath before the monument to Paraguayan heroes during his second day of activities in Asuncion, the Paraguayan capital.

In this era in which old rhetoric and traditions refuse to disappear, Latin America has demonstrated that it is a region which seeks to become united through integrated actions. This was stated by Mexican President Carlos Salinas de Gortari during the second working day of his official visit to Paraguay.

[Begin Salinas recording] The winds of change have affected Latin America and, as has occurred historically, its response to the new era must stir and move humanity. [end recording]

In his message to the Paraguayan Congress, Mexican President Salinas de Gortari said the representatives of the people, by interpreting the realities and desires of the people, become spokespersons for the future, to face the main challenge, which is to fight poverty effectively.

[Begin Salinas recording] The pressing needs should not have to wait for economic transformations to benefit all. It is indispensable, therefore, to lay a bridge between the benefits that will be generated by economic change and the pressing and unsatisfied needs of many communities. [end recording]

Later, President Salinas went to Lopez Palace, the seat of the Paraguayan Government located on the banks of the Parana River, and met with his Paraguayan colleague Andres Rodriguez, the former general who ended the dictatorship of General Alfredo Stroessner.

Both presidents signed, in the presence of witnesses, five cooperation agreements, which constitute the first important step to increase economic and cultural relations. The agreements include the following: Basic technical and scientific cooperation accord, cultural cooperation agreement, cooperation accord between the Mexican Foreign Trade Bank and the Paraguayan Ministry of Industry and Commerce, cooperation agreement between Bancomex and the Directorate of Promotion of Exports and Investments of Paraguay, and the financial and technical cooperation agreement between Bancomex and the Paraguayan Development Bank.

President Salinas de Gortari met afterward with the Mexican community that lives in Paraguay in the Mexican Embassy building in Asuncion. President Salinas de Gortari left Asuncion international airport at approximately 1530 [2130 GMT] in the afternoon.

Senate Concludes Public Meetings on NAFTA

PA0512230192 Mexico City XHTV Television Network in Spanish 0200 GMT 5 Dec 92

[Report by Ana Cristina Pelaez]

[Text] The Senate Commerce Commission has said there is no need to modify the Constitution, only the secondary laws, as a result of the North American Free Trade Agreement, NAFTA.

At the end of public meetings at the Senate to analyze the NAFTA, Carlos Sales Gutierrez, who is in charge of Senate analysis of the NAFTA, announced the Senate confirmed it will not be necessary to reform the Constitution in order to implement the treaty. He noted, however, that several secondary Mexican laws will have to be modernized.

[Begin Sales recording] To be fully implemented, many parts of the treaty will require the modification of some of the current laws. Basically, the modifications will permit the creation of more modern and practical systems. [end recording]

Among the Mexican laws that will need to be reformed, Sales mentioned the foreign trade and foreign investment laws. He added that after 17 December, when the final NAFTA document will be signed, people will be more interested in the treaty and there will be more discussions on the subject. He added the Senate will be attentive and, if necessary, will organize events to clarify any doubts.

According to Sales, relations between the Mexican, U.S., and Canadian Congresses will be intensified once the document is in their hands.

[Begin Sales recording] Of course, that does not mean those talks will affect our decisions. [end recording]

Sales announced the Senate will hold special meetings on ecology and labor matters, and will brief the public on how to take advantage of the immediate benefits offered by the NAFTA, or what to do should it have negative effects.

On the subject of ecology, Sales said an intergovernmental tripartite commission—including Mexico, Canada, and the United States—is already working in that field.

[Begin Sales recording] It is quite possible that within that commission, new viewpoints of the new U.S. Administration may be introduced and conclusions reached while studying the treaty for its approval. [end recording]

Representatives from the Secretariat of Commerce participated in the most recent Senate meeting on the NAFTA to review its constitutionality and the effects of the treaty on Mexican laws.

Senators View U.S. Handling of Alvarez Case

PA0412200192 Mexico City Canal 13 Television Network in Spanish 1300 GMT 4 Dec 92

[Report by Judity Alamo]

[Text] The Mexican Senate backs the Mexican Foreign Secretariat's firm position in defense of Mexico's sovereignty and condemns all situations that may negatively affect the country's domestic life.

This has been said by Senate leader Emilio M. Gonzalez. Gonzalez has disqualified the charges made against Mexican officials by the U.S. prosecutor handling the Alvarez Machain case.

[Begin Gonzalez recording] It is up to us Mexicans to pass judgment on the behavior of Mexican officials. Comments on them by officials from any other country are unfortunate, but do not hurt relations between Mexico and the United States because the spirit of cooperation remains. [end recording]

Alfonso Martinez Dominguez, chairman of the Mexican Senate's Foreign Relations Committee, has characterized the prosecutor's charges as unbelievable and unreflective.

[Begin Martinez recording] That shows lack of respect for the Mexican Government and institutions. I do not think they would like it if we were to do something like that, which we will not because bad examples must not be followed. It would be suitable if President-elect Clinton review this and other aggressive actions against Mexico, because they are not compatible with words of friendship and cooperation. [end recording]

On 8 December, the Mexican Senate will analyze Mexico's policy for the United States as well as Mexico's foreign policy in general. On that day, Foreign Secretary Fernando Solana will speak to the whole Senate.

Students Disrupt Traffic, Protest at U.S. Embassy

PA0512042592 Madrid EFE in Spanish 0322 GMT 5 Dec 92

[Text] Mexico City, 4 December (EFE)—On 4 December, traffic in Mexico City was in chaos due to demonstrations staged by 3,000 students who hijacked more than 100 buses and destroyed 20 cars and 50 buses.

The students of the National Polythechnic Institute (IPN) looted several business establishments in Mexico City, threw glass objects at people, and broke windows to celebrate the "traditional burning of the donkey," the school's symbol.

Every year students burn "a donkey made from cloth" prior to the American football game, which this year has been scheduled for 5 December between the IPN and the National Autonomous University of Mexico (UNAM).

The IPN students, who hijacked buses, broke windows, and caused a huge traffic jam, met a group of 100 demonstrators who were protesting the arrest of Peruvian Shining Path leader Abimael Guzman in front of the U.S. Embassy.

The demonstrators had the intention of burning the U.S. flag located at the entrance to the embassy to demand "specific information" about Guzman and guarantees for his life.

The group of demonstrators included housewives, children, and youths who did not know who Abimael Guzman was when journalists asked them.

Poll Indicates Support for Salinas

PA0412010692 Mexico City Canal 13 Television Network in Spanish 1300 GMT 2 Dec 92

[Report by Consuelo Aguilar Escalante]

[Text] On 1 December 1988, then President-elect Carlos Salinas de Gortari took office in a ceremony held at the Beaux Arts Palace, declared the official meeting place of the National Congress. Four years have since passed. After 1,462 days in government, 80 percent of Mexicans support the actions of President Salinas, according to a survey published in daily EL NACIONAL. In addition, 79.3 percent of those surveyed felt that the country has changed for the better. Only 13.4 percent felt the change is for the worse, and 7.3 percent did not answer.

Another question was: Are the economic measures adopted by President Salinas adequate or inadequate? This year, 51.8 percent felt they were adequate, whereas in 1990 18.3 percent and 1989 and 28.3 percent felt that way. Also, 30 percent of the people surveyed this year said some actions were adequate, whereas in 1990 40.3 percent and in 1989 46.3 percent gave this answer. This year only 8.5 percent considered Salinas' actions to be inadequate, whereas in 1992 [as heard] 32.2 percent and in 1989 17.9 percent felt that way.

According to 45.3 percent of the people surveyed, the next two years of the current government will be better. However, 33.6 percent felt they will be the same, 8.9 percent said they will be worse, and 14 percent did not know or did not reply. The nationwide poll also revealed that after four years of government the people feel Mexico is on the right track. On a scale of one to 10, the work by the current regime earned an average rating of 8.2.

El Salvador

Ponce on Rights Violations, Arms Destruction

PA0412162792 San Salvador Radio Cadena YSU in Spanish 1800 GMT 3 Dec 92

[Report by Balmore Parada; passages within quotation marks are recorded]

[Text] Rene Emilio Ponce and Juan Orlando Zepeda, the minister and deputy minister of defense have filed two law suits against the Salvadoran Human Rights Commission [CDHES] and the National Union of Salvadoran Workers [UNTS] for slander. The two nongovernmental organizations stated that about 115 Armed Forces officers are responsible for serious human rights violations which occurred during the almost 12 years of civil war in the country. When General Ponce, the minister of defense, filed the suit, he flatly denied the accusations against him.

[Ponce] "According to the laws and the Constitution, we, as government officials and Salvadoran citizens, can appear before the authorities to file a complaint and press charges against the UNTS and the nongovernmental CDHES for slander. Their affirmations are unfounded. We have come here because [word indistinct] and we believe in the state of law. If these people have tarnished and harmed our honor and image, they have also harmed and tarnished the Armed Forces. Patience has run out, and it is time for these groups, whose connections and tendencies are known by all, to answer to the law."

Attorney General Roberto Anton Jerez, after receiving the suits, called on the CDHES and the UNTS to substantiate their accusations against the high level military commanders.

[Jerez] "As attorney general, I hereby accept and admit this complaint and I will begin the appropriate procedure. I see here a fine opportunity for the nongovernmental CDHES and the UNTS to present the evidence. I also call on both organizations to come before this office and begin to act in a civilized fashion."

Gen. Ponce insisted that there is a plot against the military organization, both inside the country and abroad. The defense minister accused the CDHES of accusing them with cut any grounds.

[Ponce] "There is a nationally and internationally managed plot here. The degree of irresponsibility of this nongovernmental CDHES, which has accused 115 members of the Armed Forces of human rights violations, including several persons who have passed away, is incredible. They have no grounds for such accusations. The [number indistinct] people whose image and honor has been tarnished will make use of the legal instruments available to them to file the appropriate accusations."

With regard to the destruction of the Farabundo Marti National Liberation Front's [FMLN] weapons, Gen. Ponce said the Armed Forces is looking cautiously at the matter. He added that after 15 December they will continue to find weapons the guerrillas have reportedly hidden.

[Ponce] "We are cautious in believing the FMLN is going to destroy all its weaponry. We are almost sure that after 15 December, we will continue to find hidden weapons caches. They are not going to destroy all their weapons. We have been saying this throughout the whole cease-fire process. All these actions we see clearly demonstrate that the war has not ended in EL Salvador. These people, who want to come to power by whatever way they can, are just using other means."

Upon the insistence to learn what changes will be made in the Armed Forces, which were to be made public on 30 November, Gen. Rene Emilio Ponce said that there are no major changes in the scheduled 30 November organization process. In addressing the Armed Forces purge process, Ponce said that the military commanders will obey President Alfredo Cristiani's orders.

CDHES To Testify Against Generals

PA0412170592 San Salvador Canal Doce Television in Spanish 0300 GMT 4 Dec 92

[Text] The nongovernmental Salvadoran Human Rights Commission [CDHES] and the National Union of Salvadoran Workers [UNTS] have affirmed that in a few days they will present to the proper authorities evidence of the involvement of General Rene Emilio Ponce, minister of defense, and General Orlando Zepeda, deputy defense minister, in grave human rights violations.

In view of the charges filed by the heads of the Salvadoran Defense Ministry against leaders of the nongovernmental CDHES and the UNTS, Celia Medrano and Humberto Centeno respectively, have reported they will present evidence backing their charges to the prosecutor.

During the armed conflict and after the peace treaty was signed, these two organizations charge that Defense Minister Ponce and Deputy Defense Minister Zepeda were involved in grave human rights violations.

[Begin recording] [Centeno] We are glad that Gen. Ponce and Gen. Zepeda have finally opened two worthy lawsuits at the Prosecutor General's Office. Today, we appealed to our organizations and members of our organizations to present evidence of torture cases.

[Medrano] When we publicly filed charges, we were perfectly aware of the fact that we have the moral authority and the legal backing to file the charges. [end recording]

Medrano said she hopes the judicial system will indict the two military men on the basis of the evidence to be presented. Centeno noted this is not a case of a campaign

against the armed institution, but against people who have violated the most elemental human rights of Salvadorans.

[Begin recording] [Centeno] The charges filed by the CDHES and the UNTS have not been filed against the armed institution. Some of its members deserve our respect. Charges have been filed, because there is evidence backing those charges.

[Medrano] What will happen once the Judicial Branch establishes that our charges are backed by evidence? Will it put Generals Zepeda and Ponce on trial? [end recording]

Medrano and Zepeda criticized the attitude of Prosecutor General Dr. Mendoza who, they said, has taken Ponce's slander lawsuit very seriously, while human rights violation charges filed by civilian organizations either have been disregarded or are being handled by various courts of justice.

FMLN Leader Reacts

PA0412170492 San Salvador Radio Venceremos Network in Spanish 1800 GMT 3 Dec 92

[Report by Carmen Virginia Guzman]

[Text] Defense Minister General Rene Emilio Ponce said the Armed Forces are cautious, because there are still doubts the Farabundo Marti National Liberation Front [FMLN] will totally destroy its weapons. He also said it is very possible that arms caches containing weapons not included in the inventory will continue to be found after 15 December.

Regarding these statements, a local radio station interviewed FMLN leader Sigfrido Reyes, who said he emphatically rejects the statements made by the defense minister, who said arms caches could be found after 15 December.

Reyes said he rejects Ponce's statements and is pleased with the statements made by Onusal [UN Observers for El Salvador] on 2 December during the destruction of FMLN weapons.

Reyes told the radio station that Onusal is pleased and this is enough to put an end to the doubts that may exist.

The FMLN leader also doubted that the Army confiscated more than 10,000 pieces of weapons during the war. The total number of weapons, however, is not included in any inventory and no military officer has said where these weapons are stored.

Reyes said these former FMLN weapons, which the Army has and which are not included in any inventory, could be used after 15 December to report new findings. They could be used by the Armed Forces as a strategy to destabilize peace.

This is what FMLN leader Sigfrido Reyes told a local radio stations a few minutes ago when reacting to the words of caution made by Defense Minister Rene Emilio Ponce.

FMLN Commander Comments

PA0512033992 San Salvador Canal Seis Television in Spanish 1830 GMT 4 Dec 92

[Report by Romeo Lemus]

[Text] The Farabundo Marti National Liberation Front [FMLN] asserted on 4 December that the doubts expressed by Defense Minister General Rene Emilio Ponce on the rebels' commitment to destroy all their weapons is a clear signal that the Armed Forces are preparing acts of provocation after 15 December.

The FMLN issued a communique saying that, with these statements, the Armed Forces High Command is only trying to create a destabilizing atmosphere in society by trying to undermine the political willingness expressed by the FMLN when it began to destroy its weapons. The rebels on 2 December began the destruction of their weapons in the 15 camps where 25 percent of their forces are still gathered, in accordance with the peace agreements signed with the government on 16 January in Mexico.

Meanwhile, FMLN Commander Jorge Shafik Handal voiced his satisfaction over the progress of the peace agreements. He downplayed the statements made by two top military officers on the weapons of the FMLN. The rebel leader strongly criticized the sectors opposed to the extension of the mandate of the members of the UN Observers for El Salvador [Onusal].

Commander Jorge Shafik Handal reacted strongly against those who disagree with the extension of the mandate of Onusal in our country. Those sectors that have always opposed Onusal are opposed to the extension of their mandate and they see the UN as an obstacle, Handal asserted.

[Begin Handal recording] Those who oppose the extension of the Onusal mandate in our country never agreed with the agreements and the negotiations. They do not want the changes that the country should have. They do not want to see the modernization of the state or democracy. Now, they have turned out to be nationalist, even though they always allowed foreign powers to meddle in the country's independence for unpatriotic purposes, to wage an unjust war against the Salvadoran people. They crushed the rights of the population in this country and now, all of a sudden, they have become nationalist. [end recording]

The rebel leader also referred to the statements by Generals Rene Emilio Ponce and Juan Orlando Zepeda. On 3 December, Ponce stated that it would not be strange to find weapons after 15 December. Handal

downplayed the statements by Ponce, adding that in El Salvador everyone is free to say what he wants.

[Begin Handal recording] I think that everyone is giving his opinions here. These gentlemen of the Defense Ministry try to downplay the importance of the FMLN and improve the image of the Armed Forces. Everyone is entitled to give his opinion. [end recording]

Shafik Handal voiced his overall satisfaction in the way in which the peace agreements are progressing. On the morning of 4 December, aspects pertaining to the electoral law were being discussed in the National Commission for the Consolidation of Peace [Copaz]. It appears that the discussion of this topic has been completed.

Cristiani on Weapons Destruction, Jesuit Case

PA0312152392 San Salvador Canal Doce Television in Spanish 0300 GMT 3 Dec 92

[Report by Edwin Gongora in San Salvador]

[Text] President Alfredo Cristiani said if the Farabundo Marti National Liberation Front [FMLN] continues to destroy its weapons, the government will have no objection to complying with pending commitments. The president made that statement when asked if the Atlacatl Battalion will be demobilized on 8 December.

[Begin Cristiani recording] If the weapons destruction process continues, we will do what we said we would do. [end recording]

Referring to the process begun by the FMLN on 2 December for the destruction of its weapons, Cristiani termed it as positive within the peace process.

[Begin Cristiani recording] We think it is a positive step taken according to schedule. We hope the process will continue so we may conclude everything by 15 December. [end recording]

Referring to another issue, the president termed as speculation a report issued on 2 December by an international news agency that said the Jesuit priests' murder was planned by the defense and deputy defense ministers. The report was published by an evening newspaper and includes the conclusion reached by Radio Nacional in Spain, which was based on information gathered from several sources.

[Begin Cristiani recording] I think the report is mere speculation. If they have evidence, it should be turned over to the judge handling the case. [end recording]

Regarding Nationalist Republican Alliance Deputy Sigifredo Ochoa Perez' objection to extending the UN Observers for El Salvador's mandate, Cristiani said the extension is not unusual because there are still several points in the peace accords to be verified even though the armed conflict has ended.

Gonzalez Comments on Weapons Destruction

PA0412220592 San Salvador Radio Farabundo Marti Network in Spanish 1800 GMT 4 Dec 92

[Text] Leonel Gonzalez, commander of the Farabundo Marti National Liberation Front [FMLN], has said recently that if the government of the Nationalist Republican Alliance fails to dissolve the Atlacatl Battalion and to start the purge of military officers, the FMLN could suspend immediately the destruction of weapons at 15 military concentration areas of the National Army for Democracy.

Meanwhile, FMLN Commander Ramon Torres, member of the joint government-FMLN work group, has said surface-to-air missiles will have been destroyed by the end of year and not by 15 December. He added that thousands of weapons, which amount to 40 percent of all weapons in FMLN hands, will have been destroyed by 8 December, on which day the elite Atlacatl Battalion will be demobilized.

Should the government and Armed Forces fail to comply with this commitment, the FMLN could paralyze immediately the destruction of the remaining 60 percent, Torres added. The FMLN leader said the destruction of weapons is scheduled to take place in percentages, and it is clear, he added, that if the government fails to comply with the recommendations of the purge commission and the demobilization of the Atlacatl Battalion, the FMLN could suspend the destruction of its weapons.

The main areas where weapons are scheduled to be destroyed are Chalatenango, Cabanas, and Morazan. A monument will be built with the smelted weapons.

Rejects Minister's Statement

PA0512003292 San Salvador Canal Doce Television in Spanish 1900 GMT 4 Dec 92

[Text] Leonel Gonzalez, leader of the Farabundo Marti National Liberation Front, FMLN, has denied the missiles still held by that organization endanger the nation's stability, or other governments in the region, as Presidency Minister Oscar Santamaria recently said.

On 4 December, Santamaria even suggested the missiles could end up in drug traffickers' hands.

[Begin Gonzalez recording] There are specific cases involving the Army in El Salvador's past. It was confirmed that an Air Force officer was involved in the sale of missiles to Colombian drug traffickers. It is also a known fact that the Salvadoran Army has transferred weapons to Guatemala. In light of this, I believe it is clear that if anyone sells weapons to drug traffickers, it is the Army. In the case of the FMLN, we have acted very responsibly in this respect. We know that sophisticated weapons in the hands of irresponsible persons can be used to destabilize society. The FMLN is committed to deliver our weapons, however, according to an inventory

already in the hands of the UN. In due time, the UN will verify the delivery and destruction of those weapons. [end recording]

Gonzalez said that missiles certainly represent a guarantee for full compliance with the peace agreements. He added that those sophisticated weapons will be destroyed after the government has complied with the agreements related to the Armed Forces.

Assembly Ratifies Additions to Land Law

PA0512215392 San Salvador EL DIARIO DE HOY in Spanish 4 Dec 92 p 3

[Text] The Legislative Assembly yesterday approved, without debate, President Alfredo Cristiani's additions to a law transferring land to members of the Armed Forces and the Farabundo Marti National Liberation Front [FMLN].

Last week, the Assembly approved a temporary law regulating land transfers and guaranteeing the legitimate landowners' rights to either keep or dispose of their real estate in former conflict zones.

In line with the Chapultepec Agreement's disposition on owners and workers from areas affected by the war, the Land Transfer Program [Programa de Transferencia de Tierra—PTT] will be implemented in the legal framework of this new law.

Cristiani returned the bill to the Legislative Assembly with some observations.

He recommended the insertion in the bill of the phrase "The PTT will benefit former Armed Forces and FMLN fighters," which did not appear in the bill.

Article 5 of the law establishes that persons involved in "any occupation, usurpation, or seizure carried out after 14 March 1992 will not benefit from this decree and must be immediately and legally removed from such real estate with the assistance of the public security force."

The president proposed the following second insertion to this article: "The above applies without detriment to the benefits acquired by the former fighters of the Armed Forces of El Salvador and the FMLN as the PTT is implemented."

These recommendations were reported at a plenary session of the Legislative Assembly and acting Assembly President Gloria Salguero Gross called for their approval without red tape procedures. None of the deputies asked for the floor and the recommendations were approved by 68 votes.

The "Temporary Law on Measures and Guarantees for the Implementation of the Land Transfer and Agricultural Property Security Program" forms part of the peace agreements.

The "recommendations" made by President Cristiani are aimed at depriving the FMLN of any excuse for not destroying its arms and demobilizing its armed members.

Government Awards Former Combatants Lands

PA0612000292 San Salvador EL DIARIO DE HOY in Spanish 5 Dec 92 p 5

[Text] The Salvadoran Institute of Agrarian Transformation (ISTA) has reported the government complied on 4 December—two weeks ahead of schedule—with the first phase of land delivery established in the peace agreements.

ISTA President Roberto Molina said the document was signed whereby the government places at the disposal of the Farabundo Marti National Liberation Front (FMLN) more than 31,000 manzanas of land that legally belong to them.

According to the peace agreements, the first phase should be completed by 15 December.

"Speaking in true Salvadoran, the ball is now in the FMLN's court," said Molina. The ISTA president said that now the FMLN has no excuse not to meet its side of the agreement which is total demobilization and disarmament of its members.

Molina said that for starters, 11 properties had been handed over with an approximate area of 7,000 manzanas for 1,498 beneficiaries.

On 4 December, 23 more properties were delivered consisting of 20,499 manzanas for 4,561 beneficiaries. There are 17 additional properties consisting of 3,683 manzanas for 700 beneficiaries, which will be delivered subsequently.

Molina explained that the first phase solely benefits the former FMLN subversives, according to the new UN rescheduling. During the second and third phase, Armed Forces members will be taken into account.

Molina underscored that, during the whole process, the current landholders will be taken into account. Moreover, he noted, the lands being offered to the FMLN are government property.

Landholders Form Land Defense Movement

PA0512201492 San Salvador EL MUNDO in Spanish 3 Dec 92 p 1

[Text] The National Union of Salvadoran Workers reported during a news conference that the Movement for the Defense of the Land [Movimiento para la Defensa de la Tierra—MDT] was created on 3 December. The organization is made up of landholders from former confict areas, members of cooperatives from reformed sectors in those areas, and of the National Army for Democracy.

The main objective of the movement is reportedly to defend landholders' rights to the land allotted to them and afterwards to the implementation of economic development and production programs, all within a peaceful setting.

The MDT will begin operating on 3 December. According to some sources, the UN Observers for El Salvador will be informed about this and "will verify" everything announced this morning about the MDT for as long as the mission remains in El Salvador.

Cooperation Agreement With Israel Signed

PA0512215192 San Salvador Canal Doce Television in Spanish 0300 GMT 5 Dec 92

[Text] The Salvadoran Government and the Israeli ambassador have signed an agreement for technical cooperation between Israel and the Salvadoran agriculture and planning ministries to train professionals involved in integrated rural development projects.

It was reported that the practical stage of this training course is aimed at drafting a rural regional plan that will bring concrete plans to that sector through the identification of viable farming programs and projects under a general framework.

[Begin recording] [Unidentified speaker] The technical cooperation with Israel is the most important for us because it concentrates on the training of persons who later become productive factors in the country.

[Israeli Ambassador David Kohen] This is one of the most important courses within the framework of the training centers in Israel. The course is seven months long. The first five months, the courses are held at the Rural Studies Center in Rehovot, Israel, the main agricultural area in Israel. [end recording]

Ambassador Kohen added that the training has been planned in two stages and that 35 persons from Latin America will participate. The 12 scholarships will be financed by the Israeli Government; Germany will finance 3; and the rest will be spread among other cooperating sources through the Planning Ministry.

Nicaragua

Foreign Minister Comments on U.S. Aid

PA0512022692 Managua Radio Nicaragua Network in Spanish 1100 GMT 4 Dec 92

[News conference by Nicaraguan Foreign Minister Ernesto Leal Sanchez with unidentified reporters, place and date not given; all figures as heard—recorded]

[Text] Foreign Affairs Minister Ernesto Leal Sanchez, during a news conference held on 3 December, said that the unblocking of the $116 million approved for Nicaragua, of which $54 million will be disbursed shortly, is an achievement for Nicaragua, a confirmation of democracy, and also a warning for the extremist sectors.

The foreign minister said U.S. President George Bush sent a message to the Nicaraguan Government stating the blocked aid has been released, Nicaragua may make use of it, and that there will be an immediate disbursement of $54 million.

Nicaragua will use $40 million to balance its payments for the stabilization of the economy, to reactivate the Structural Adjustment Plan, finance supplies for the producers, and face commitments with international creditors, said Foreign Affairs Minister Ernesto Leal Sanchez.

[Begin recording] [Leal] We have received news with regard to the aid. Forty of the $54 million will be used to strengthen the balance of payments and the economic stabilization program to face commitments we have with multilateral financial organizations, and other payments for oil purchases, etc.

The remaining $14 million will be used in development projects to help Nicaragua's economy.

Regarding the remaining $50 million, unofficial sources have said this money will also be disbursed possibly before President Bush's administration transfers power to the administration of President-elect Bill Clinton.

It is encouraging for the Nicaraguan people at this moment because, as I said earlier, we consider this to be a pat on the back. This is support for the president of the Republic from the U.S. Administration, support for the achievements of the president with regard to democracy, economy, and obtaining a real democracy for Nicaragua.

We appreciate this particularly at this time when we feel we are being threatened by extremist sectors. There are threats everywhere. This is practically a message to all those extremists who are, unfortunately, still in Nicaragua.

[Unidentified reporter] When will you receive the funds?

[Leal] The mechanisms are already in motion. The foreign cooperation minister will hold a meeting on 4 December with [words indistinct] in Nicaragua and, on their part, there are meetings in Washington to work out the final details.

We have learned that the U.S. State Department has stated they are willing to have the funds disbursed as fast and flexibly as possible.

[Reporter] [Question indistinct]

[Leal] Authorization for the disbursement of the $104 million has virtually been given. Even today I read a newspaper article which stated that Senator Helms is obviously upset over this blow and he has leveled unfounded accusations against the Nicaraguan Government which make no sense. Helms says he is ashamed

that President Bush's advisers have told him to release the aid. Obviously the United States is determined to release the remaining (?$50 million). All we have to do now is initiate talks with the State Department.

[Reporter] [Question indistinct]

[Leal] No, not as a part of this process. [Words indistinct] the Nicaraguan people, that we can resolve the land issue which I am sure you are aware of, pay compensation where it is due, return properties where that is possible, and initiate a stabilization process that will foster private and foreign investment and generate employment so the Nicaraguan people can experience a new phase.

I believe that in the political sphere all Nicaraguans [words indistinct] want violence to end, to have a professionalized police force that respects human rights, a small Army like the one we have, and to do away with all the weapons we still have. In short, we must all work toward the creation of a new Nicaragua, a new vision, and a new (?concept). We have a virtual democracy with independent branches of state. We are proving right now that the branches of state are totally independent, which has never before happened, and I believe—[words indistinct] the president of the Republic—that democracy should not only be created in Nicaragua; it should be institutionalized.

I know this is a matter of concern for all Nicaraguans. Obviously the new worldwide trend is toward a social market economy, a market economy with social justice. Other countries are competing with Nicaragua for foreign cooperation and we must show more signs and proof of responsibility. We must show that this is a new country. Then the international community in general would seriously consider Nicaragua and we would receive the international cooperation that we need. We would achieve what we all want: to be a self-sufficient country.

[Reporter] [Words indistinct]. Is the Nicaraguan Government still trying to obtain the (?$45 million from the Rio Group)?

[Leal] Yes. We are still [words indistinct] with Mexico, Colombia and Venezuela. The presidents of these three countries have the political resolve to grant that credit and they have confirmed this (?which proves) that Nicaragua has support and can deal with [words indistinct]. The Foreign Cooperation Ministry, Central Bank, and Finance Ministry are negotiating with officials from the countries in question.

[Reporter] [Question indistinct]

[Leal] (?I do not believe that is the point). In the conference's inaugural speech, the president said she was not asking for further help but for understanding for the situation and the problems the Nicaraguan people are facing. A clear message emerged from that conference which is closing at approximately (?1830). The message is clear: the Nicaraguan people do not want to become addicted to foreign cooperation. We want to start growing and developing economically. Why? To be self-sufficient.

We are confronting an emergency situation, an economic emergency situation due to reasons we are all aware of and we need foreign cooperation while we find our way toward economic development. Meanwhile, as I said earlier, we are trying to achieve well-being for all Nicaraguans.

[Reporter] [Question indistinct]

[Leal] I personally do not believe so. We must take into consideration that Senator Jesse Helm's extreme right wing is proof of this. There may be people who will try to hinder our efforts, but we will go forward. I personally believe they will not be successful and that under no circumstances will we distance ourselves from our pledge to consolidate Nicaragua's [word indistinct] democracy. [end recording]

Assembly President Meets With U.S. Official

PA0312190192 Managua EL NUEVO DIARIO in Spanish 1 Dec 92 pp 1,8

[Text] Ronald Godard, U.S. charge d'affaires, held an urgent meeting early on 29 November with National Assembly [AN] President Alfredo Cesar, whose back is against the wall following two Supreme Court of Justice [CSJ] rulings.

At this meeting, Cesar said he is worried the CSJ rulings will undermine the fragile group of deputies that endorse the illegal actions he has been conducting since 2 September, sources close to the AN presidency revealed to the media.

The sources said Godard arrived quite early at Cesar's office to avoid the television cameras of the reporters who are always at the AN. He left before any reporter arrived.

People close to Alfredo Cesar said his supporters have surmised he is concerned the spurious group he created will collapse given the overwhelming CSJ rulings.

It has been learned the groups that might abandon him reportedly include deputies who have not been mentioned in reports on the crisis that has been caused by the illegal actions he has been conducting within the AN since 2 September.

Some of the deputies who form Cesar's group arrived at the AN early on 2 December, including Zacarias Hernandez, a center bloc dissident who repeated to the media the same arguments Cesar has used against the CSJ rulings.

It was learned at noon Cesar had summoned the National Opposition Union faction leaders to talk privately about his meeting with the U.S. Embassy official and the CSJ rulings.

AN workers are concerned because the crisis in the legislative branch has worsened and Alfredo Cesar's term as AN president concludes on 15 December.

Leaders of the AN labor union are aware of that concern so they met at noon on 2 December to analyze the situation. The CSJ ruling and Presidency Minister Antonio Lacayo's statement (that the executive branch will abide by the CSJ ruling) can only mean the state budget for the AN National Assembly will be completely cut off [corte total].

With this cut, which is being budgeted by the Finance Ministry, 205 National Assembly workers will lose their benefits, basic basket, and Christmas bonus. According to a worker, this represents approximately $300. The workers' benefits were approved when the late Commander Carlos Nunez was AN president.

It was learned that, once the Finance Ministry cuts all budget appropriations for the AN, the 205 workers would only receive their government checks. The AN workers feel pressured because they are not responsible for the conflict Alfredo Cesar has been provoking at the AN since 2 September.

Cesar on UNO Deputies Expulsion from Assembly

PA0412172892 Managua Radio Corporacion in Spanish 2200 GMT 1 Dec 92

[Text] Seven centrist deputies who betrayed the National Opposition Union [UNO], namely Gustavo Tablada Zelaya, Alejandro Solorzano Obregon, Ivan Salvador Madrid, Guillermo Chavarria, Andres Robles, Alejandro Perez Arevelo, and (Manuel Atili), have been expelled from the National Assembly for failing to attend assembly sessions and participate in commission work for a period of 21 days. Thus, they lost the parliamentarian rights specified by Article 10 of the Chamber of Deputies' by-laws. Assembly President Alfredo Cesar Aguirre made this announcement to local and international reporters:

[Begin Cesar recording] As was advanced by an official communique issued by the National Assembly Presidency an hour and a half after learning about the ruling of the Supreme Court of Justice on 27 November, the National Assembly is still working on the morning of 1 December as it has been since 2 September. There is the same attendance level [word indistinct] deputies of the morning.

We received the encouraging news that Dr. Hernando Zuniga recovered fully from back surgery, reoccupied his seat on 1 December, and gave his full support, in a dignified manner that is characteristic of true UNO leaders, to our stance that the Supreme Court ruling on the amparo filed by Ramirez and Tablada is completely illegal. The Supreme Court has stepped beyond its constitutional duties, and thus, the Legislative Branch is not obliged to comply this ruling.

The National Assembly has maintained its position with absolute clarity. We continue to work for the benefit of the people and will continue to defend the independence of the Legislative Branch. The 30 November decision of the directorate was also announced on the morning of 1 December, as had also been advanced to the media.

After reading the clauses of the court resolution, it was evident to our jurists on 27 November that the court had declared unconstitutional not only Article 122 pertaining to the loss of representative status for failing to attend parliamentarian work for more than 90 days, but also also declared unconstitutional any similar measure leading to a definite loss of representative status, because [words indistinct]. Thus, Law 26 was also rendered completely unconstitutional by the clauses of the Supreme Court ruling.

We accepted the Supreme Court of Justice ruling on whether Article 122 and its provisions are constitutional. By declaring it, unconstitutional, however, we were able to remove those who have done no parliamentarian work in their positions as representatives. Thus, we exercised the power the Supreme Court left us, that is, to suspend temporarily the duties or rights of representatives.

This measure was applied to seven UNO representatives who abandoned parliamentarian work. I wish to point out that discussion of the issue of minorities at the parliament responds to a number of international commitments. We are studying those international commitments to determine what treatment to give the Sandinist minority and Representative Alfonso Smith of the Miskito, Sumu, and Rama Indians, and Creole groups organization, because we must keep in mind he is not a UNO representative, but also abandoned parliamentarian duty. Smith represents a minority, not only parliamentarian, but ethnic. Thus, his case is more complex. We will act in keeping with the law and Constitution. We will do what the law allows us, as we did with the case of [words indistinct].

Finally, there is the case of Representative Frank Duarte. Although he has not attended plenary sessions, Duarte did not abandon work within the commission he belonged to until a few days ago. Thus, in order to apply a punishment, the representative should have fully abandoned parliamentarian work, within commissions as well as in plenary sessions. [end recording]

Chamorro Threatens FNT With Army, Police Force

PA0312144492 Managua LA PRENSA in Spanish 2 Dec 92 pp 1, 12

[Report by Denis Garcia Salinas]

[Text] President Violeta Chamorro blamed strikers in central hospitals on 1 December for the death of three persons, who were denied medical attention in the capital's hospitals, and threatened to have policemen evict them.

This is the first time the president has responded strongly to a strike headed by members of the Sandinist Health Workers Federation [Fetsalud], who are occupying several hospitals.

Responding to a reporter's question, Chamorro said: "As I said last time, if one does not use the police and Army to prevent these things, they say one is, and I repeat the word, weak, wishy-washy."

She added calmly: "They say we are not governing here or doing anything. I think it is necessary to tell all those persons who are haranguing people in hospitals to go home and sit down, rather than take over hospitals, preventing patients from entering."

The strikers, who are demanding wage raises because their wages are the lowest in the health sector, blamed the government for the dramatic situation in the hospitals, evidenced by a lack of syringes, adrenalin, medication, and hospital bed sheets.

A health worker's average pay is 300 cordobas monthly. Gustavo Porras, Fetsalud leader, said their "struggle is just" and the government is the "only one that seeks to destroy the health system."

Strikers did not allow many persons seeking medical attention to enter hospitals on 1 December.

Chamorro inaugurated the Nicaraguan Institute of Energy cargo office in Altos de Santo Domingo on 1 December and described the strike by a large percentage of the 20,000 health workers as "horrible."

She was displeased that strikers are not allowing patients to enter the hospitals and termed their actions "illegal."

A reporter asked: "What is your opinion on the three victims of strike?" In her own peculiar style she answered: "Yes, they are to blame, the strikers are to blame."

The president asked them to desist from that struggle method and advised them "to sit down if they don't want to do anything, rather than barring the entry of patients."

The president said the labor leaders who organized the hospital strike lack "conscientiousness," and said the Sandinist-leaning National Workers' Front (FNT) "is crumbling."

The FNT warned it will call an indefinite general strike if the government does not respond immediately to its demands, which include solutions to health problems, jobs, health and education budget allocations, and wage raises.

The president said the Sandinist labor leaders are forcing her to call in the Army. She said that if her government does not resort to the police in cases in which the Constitution is being violated, then it is said "this government is weak, wishy-washy."

Regarding a timely response to the strikers, Chamorro strongly rejected the solutions they proposed, adding "that is, unless we win the lottery."

Chamorro reminded newsmen that five years ago "you had the problem where you were asking for more wages, but nobody protested. Oh no, you were quiet and nobody said anything."

In reality, the police "black berets" have always been alert to disperse demonstrations and neutralize any strike threat in state institutions.

Responding to another question, Chamorro said that if the FNT carries out its strike threat, "the police and Army will step in, because this country needs stability, not vandalism."

Lacayo Says Police Not To Repress Strikes

PA0412211492 Managua Radio Nicaragua Network in Spanish 1100 GMT 4 Dec 92

[Statement by President Minister Antonio Lacayo in Managua on 3 December—recorded]

[Text] I want to clarify some things. At no time will the National Police force disrupt a protest. At no time will it repress a protest or a strike. According to our Constitution, all Nicaraguans are entitled to protest. You reporters know well that protests can be held outside the presidential palace or any other place. There is freedom to protest. I repeat: President Violeta Chamorro has never instructed the police to repress protests through police measures as some news media have reported. The National Police force has not been instructed and will never be instructed to repress a strike. If a person goes on strike and does not want to work, he may stop working.

As Mrs. Chamorro has stated—and the Government Ministry and National Police force have an obligation to guarantee this—the government will not allow those using violence to succeed. The government will not allow those who take over a work center and lock out workers who want to work to succeed. It will not allow those who forcefully take over work equipment to stop those who want to work to succeed. That cannot be called a strike. Our Constitution respects strikes. The same Constitution says nobody has the right to curtail the rights of others. For example, if a job center has 200 employees and 50 are on strike, that is fine. Let them stand aside and strike. If 150 employees want to work, they are fully entitled to work. If one of those 50 uses violence to prevent the other 150 from working, that is not right. Without asking the president, the National Police force has the constitutional duty to guarantee the rights of those who want to work. We have been saying that for

some time now. It seems to me that one often hears of people on strike, when in fact those people are not on strike. What they are doing is staging a takeover and adopting an attitude that violates the rights of other Nicaraguans. They are violating the Constitution. If there is one thing that we Nicaraguans agreed on in the past elections, it was that we were voting within the framework of a Constitution. This government has the advantage that it did not draft the Constitution, and still we want to respect it completely.

That is why we respect the Supreme Court rulings and the right to protest and strike. We do not respect the right to take over properties, because that right does not exist in the Constitution. It is quite the opposite. We are entitled to have our rights respected. We want any strike to be settled within the framework of negotiations. The Labor Ministry has been meeting the top National Workers Front [FNT] leaders almost every day. They held a meeting on 3 December. The National Corporations of the Public Sector [Cornap] president has also been holding meetings with labor leaders. He met with top FNT delegates on 3 December to talk about those enterprises that still must be privatized. Those topics must be settled at the negotiating table. That is why we must let the police take care of those who are undermining the rights of others. I call on the people of Nicaragua to set aside unlawful attitudes that we regrettably see on either side of the political spectrum so we can conclude this year by getting ready to make the most of 1993. That way we will encourage the donor community to continue helping Nicaragua. Let us not allow them to become disillusioned or disenchanted and send their aid elsewhere.

Riot Police, Workers Clash in Different Areas

PA0412222892 Managua BARRICADA in Spanish 4 Dec 92 pp1, 8

[Report by Carlos Garcia Castillo]

[Text] As a result of the 3 December street clashes between the National Police's riot division and workers of the National Workers Front [FNT], 18 persons were arrested and countless others were beaten and injured. The most critically injured persons are in the Karl Marx Hospital under tight military surveillance.

The street protests took place in several stretches of the highway to Managua, mainly in Portezuelo and Managua's Nicaraguan Institute of Energy plant, Northern highway, National Bus Enterprise, Rubenia, Siete Sur, and Linda Vista. In Siete Sur, nine Diemor Company employees were arrested, but were released later.

The worst clash between policemen and workers, which left a toll of several workers injured, took place in the area known as the Callejon de Portezuelo, near the Northern highway's 6 km marker. Carlos Borge, a leader of the textile sector, and Eligio Eloy Chavez of the Federation of Metal Products Industry, are among the workers severely beaten by the riot division headed by Subcommander Felipe Escobar of the 6th Police Precinct.

Policemen dragged Borge, beating him with their billy clubs and kicking him. He suffered a fractured arm and was taken to the Karl Marx Hospital. Afterward, he was jailed at the 3d Police Precinct. Freddy Mena Velasquez sustained the worst injuries. He received eight stitches in the head because the police beat him with the butt of a rifle. After attacking Mena, the same police went to his chief and asked him in an ironic tone: Chief, how did I do? ... Escobar, replied: Very well, you win a prize, and sent him to get a soda.

The riot police in the Callejon de Portezuelo acted with particular violence in dispersing the demostrators who had blocked the highway. They used tear gas, rubber bullets fired directly at the demonstrators, billy clubs, and they also fired into the air. Not content with leading the operation, Subcommander Escobar joined in hurling stones at a group of Sumagro [Agricultural and Livestock Supplies Enterprise] secretaries who were supporting the demonstrators from inside the building and insulting the riot police.

Among those arrested yesterday on the Northern highway are Juan Garcia Guevara, Erick Antonio Lopez, Miguel Angel Espinas Aleman, Carlos Borges Galeano, Romy F. Lacayo Flores, Manuel Salvador Chavez, Alejandro Alberto Hernandez Narvaez, Juan Antonio Lopez, Uriel Salvador Espinoza, Chester Flores Mendez, Freddy Mena Velasquez, Marvin Marenco, and Jose Isaac Matamoros. The FNT also reported the arrest of Feliciano Balmaceda and Juan Corrales in Chichigalpa. The other arrested persons could not be identified.

During the police repression against FNT workers, the riot police hit EL NUEVO DIARIO photographer Frank Cortez in the right arm, causing a serious bruise. Another policeman tried to attack newsman Jorge Catin of the "Extravision" newscast, who asked Escobar why he had personally attacked the Sumagro employees who were protesting peacefully inside the building. Apologizing for his action, Escobar told BARRICADA this was a logical reaction to the tense situation. "It's the heat, brother."

Escobar showed pieces of steel sheets hurled by these workers at the riot police. The workers also repelled the riot police with sticks and stones. The police chief felt those who attacked the riot police committed a serious offense, clearly defined in the Penal Code. Escobar said several policemen were seriously injured with the metal sheets and stones.

Ministry Says Energy Workers' Strike Illegal

PA0512020092 Managua Radio Sandino in Spanish 1830 GMT 4 Dec 92

[Text] The Ministry of Labor has declared the strike called by energy workers illegal. During a news conference, Martin Talavera, the public relations officer for the

Nicaraguan Institute of Energy [INE], announced that the workers who misused the Institute's property during the 25 November march and attacked several Institute officials will be fired.

[Begin recording] [Talavera] The truth is that we called the press here to listen to the testimony of two high-level INE officials, the regional director in the Fourth Region and the power generation director for all our plants, who were involved in an incident involving workers union leaders. There were arrests and demonstrations of force on the part of the Police and the Armed Forces. These two people virtually were being held hostage. In Granada, they threatened to tie them up and lock them in their offices for several hours if they gave them any trouble. Daniel Alvarado was held at the Nicaragua Generating Plant where we were having serious problems because the union has plant operations under control.

We also discussed the general situation at the INE. The Institute announced that the Ministry of Labor at 0900 [1500 GMT] declared the strike illegal. There is now a waiting period of 24 working hours during which the union can file an appeal against the ruling. Once this process is complete, the INE will take several steps and measures, basically concerning the workers who have committed crimes. We have not made any specific decisions about what measures to take against those who participated in the strike, but we believe we will be flexible. We will not be flexible, however, with those who used Institute vehicles without authorization during the 25 November march, nor with the union members and workers who kidnapped, kidnapped [repeats] INE personnel and did things we believe are totally illegal.

[Unidentified reporter] What actions will be taken against the workers who held the INE officials hostage and those who allegedly made unauthorized use of the vehicles?

[Talavera] These measures will be taken, as I have said, after due process is completed, and the union has filed its appeal against the decision to declare the strike illegal. Although we believe these criminal acts should be punished, we, in any event, are going to fire them. [end recording]

Gurdian Accuses FSLN of Bomb Attack

PA0412184292 Managua Radio Sandino in Spanish 1830 GMT 2 Dec 92

[Text] Ramiro Gurdian, president of the Higher Council of Private Enterprise [COSEP], in a 2 December news conference accused a sector of the Sandinist National Liberation Front [FSLN] led by a member of the FSLN National Directorate of being responsible for the terrorist attack on 1 December that destroyed windows on the northern side of the building occupied by the businessmen's [passage indistinct].

[Begin recording] [Gurdian] [passage indistinct] some individuals dressed in camouflage even tried to climb to the second floor, but the neighbors started yelling: thieves, thieves. That is when they jumped down from the second floor to the ground floor where there were two other individuals also dressed in camouflage. They then hurled a powerful bomb that—thank God—did not land inside the building, otherwise there would have been major damage. The bomb did fall just outside the building where some private offices are located. A very strong explosion was felt. It was a large bomb. This was not a regular bomb. Experts have examined the device and there are no traces of....[pauses] These are military bombs. They are bombs used by military forces or by terrorists; they are special bombs. In my opinion-....[pauses] These things did not occur when the FSLN was in power. I insist that some FSLN sector is attempting to cause chaos and anarchy in Nicaragua. It wants to harm Nicaragua and keep it from recovering [words indistinct] economically. They want to prevent foreign aid from arriving. They do not want aid to come here [words indistinct] a group of donor nations were meeting here. In my opinion, an FSLN sector is responsible for this.

This is a continuation of terrorists actions. I have reached the conclusion that if there was one area in which the FSLN was very efficient, it was in the Army, state security, and investigations. When they were in power they were very efficient, everything was solved very quickly. Those same people are still in the Army and the same people are still in charge of state security. I believe those individuals are obliged to know what is going on. No one can convince me that the FSLN is not somehow involved in this. I do not have hard evidence to back it up [words indistinct] means that any group [words indistinct] all leftist organization in this country have ties with the FSLN. All the conclusions that I have reached indicate that an FSLN sector and some of the National Directorate commanders are involved in these actions. They are carrying out these acts simply because they want to topple the government; they want to return to power; they want to [words indistinct] in Nicaragua.

[Unidentified Reporter] Is the government investigating this?

[Gurdian] The police came last night and they were supposed to come today. They were taking photographs everywhere. I accompanied them personally. They are investigating the case. I can assure you, however, that if I put a bomb in Daniel Ortega's house, not even five minutes would go by before I would be arrested. You can be sure of that. [end recording]

Panama

Endara Discusses Central American Integration

PA0412193792 Panama City LA ESTRELLA DE PANAMA in Spanish 1 Dec 92 p a2

[Interview with President Guillermo Endara by an unidentified reporter; place and date not given]

[Text] [Reporter] What can be expected from the upcoming summit of Central American presidents?

[Endara] We can expect at the summit, among other things, a program of joint actions in favor of economic development, with emphasis on the cattle-raising and agricultural sectors, which are the backbone of our economy. We must take into account the factors of competitiveness and environmental protection—factors that will allow us to attain the goal of sustained economic development with fairness.

In the economic field, we intend to reach area agreements that will allow the isthmus, in defense of our best interests, to face as a bloc, the effects of certain protectionist measures that currently take place due to world trends.

Regarding relations with the rest of the Central American countries, we wish, together with private business and labor forces, to begin with greater depth and consultation the necessary studies to establish whether different levels of integration are possible, and if so, how and when to do it.

In this regard, what will stand out at the Central American Economy Cabinet, which will meet in Panama during the first days in December, are the agreements reached by this cabinet. They will be presented for the presidents approval during the 8th summit and will serve to establish the main lines of actions that I mentioned previously.

In the social sphere, we want to review the countries' achievements and overall area achievements according to the Tegucigalpa pledge, which is the main social document of the isthmus. We will also analyze the reports the various area councils will present, which are: The Regional Social Affairs Council, the Housing and Human Settlements Council, the Regional Health Ministers Council, education, and so on.

Regarding politics, the summit's main topic will be the Central American Integration System preparatory commission's report, which will be presented to discuss the replacement of the Organization of Central America States. This preparatory commission will regulate all integration actions.

[Reporter] How will Panama integrate with the rest of Central America?

[Endara] As we stated at the 10th summit in San Salvador, we will do so gradually and complimentarily, and we will take into account our economic program. We are headed toward area integration, but we have no pressures or time limits.

[Reporter] Which economic, political, and social sectors are opposed to integration?

[Endara] I have not heard any sector say it is totally opposed to integration. What has been said is that some sectors will be very affected, if there is a total integration under the present circumstances.

I would like to say two fundamental things. First, integration is not a switch; one minute we are not integrated and the next we are. Integration is a process that takes several years to complete. Second, the decision to integrate, and the time span in which to complete the change, is a national one and should be made based on the premise that integration must benefit the majority.

[Reporter] What specific benefits will regional integration bring for Panama?

[Endara] The benefits have already been felt. As an example we could mention the joint defense effort in favor of our banana production against the EEC. Panamanian exports to Central America, by way of the bilateral free trade agreements we have with each of the Central American countries, have increased and the list of products included in these agreements has grown as well.

Regarding the benefits, we could also mention the inclusion of our country in the UN Economic Program for Central America (PEC) and there is the Group of 3, made up of Mexico, Colombia and Venezuela. In Central America, we have the Association for Democracy and Development (ADD), the Joint Commission on Cooperation with the People's Republic of China, the increase in cooperation relations with the Economic Community [as published], and the beginning of relations with the Caribbean Common Market (CARICOM), and, above all, the image of a region of peace, democracy, freedom, and development we have begun to project to the world.

On Constitutional Reform, Rio Group

PA0412200092 Panama City TVN Television Network in Spanish 0000 GMT 4 Dec 92

[Text] President Guillermo Endara met with the press on 3 December and mentioned the possibility of amending two articles in the national Constitution.

During his regular Thursday press conference, President Endara said he would support an initiative aimed at amending two articles of the Constitution. One article deals with the elimination of the armed forces, and the other is related to summoning a constituent assembly.

[Begin Endara recording] I do not reject the idea. It is an initiative that could serve as a starting point. However, it is not my initiative, and I am not working on it. I would like to hear other opinions on the issue. If we can obtain a consensus on this— considering the possibility of obtaining a consensus on anything in Panama since we are so [word indistinct]—I would find nothing inappropriate about supporting the initiative. [end recording]

President Endara had this to say about some recent articles against Attorney General Rogelio Cruz that appeared in a major U.S. newspaper:

[Begin Endara recording] To the best of my knowledge, Rogelio Cruz has not been an issue in Panama's relations with the United States. I believe the United States has respected our sovereignty, as well as that of the various branches of our government. I have not heard any U.S. official complaining about any Panamanian official. I do not see this issue affecting the relations between both countries. [end recording]

Endara also expressed his opinion on Panama's return to the Rio Group, which was included on the agenda of the recently concluded Rio Group summit in Buenos Aires.

[Begin Endara recording] I understand that some Latin American countries support the initiative. I am referring specifically to Colombia. It is well known that the Panama issue was going to be suggested as part of the bilateral conversations that usually take place at that sort of gathering. The objective was to obtain a consensus. As you all well know, everything that is done in these kinds of summits is done by consensus. For that reason, issues are not discussed when it is known that there is no consensus. That is why the Panama issue was not raised directly during the summit. At the time there was no assurance of a consensus, therefore it was not worth discussing if the mood was not in favor of it. Nevertheless, I am sure our Colombian brothers will continue with their support. President Cesar Gaviria offered Panama his support on the issue. [end recording]

Here is what President Endara said regarding the public funds that Vice President Guillermo Ford says must be invested.

[Begin Endara recording] This does not mean the National Bank [BNP] is loaded with money. Some sectors have chosen to interpret Vice President Ford's statements as if the bank is loaded with funds that are not earmarked for some specific purpose. A large portion of the funds in the BNP has already been allocated for something specific. [end recording]

Linares Criticizes Peru on Use of Asylum Rights

PA0412193892 Panama City EL PANAMA AMERICA in Spanish 4 Dec 92 p 1A

[Report by Orlando Mendieta C.]

[Text] Panamanian Foreign Minister Julio Linares has said that some Peruvian authorities are using the right to political asylum to benefit criminals such as former Majors Heraclides Sucre and Gonzalo Gonzalez, as well as Carlos Wittgreen, former financial adviser to Manuel Antonio Noriega.

Linares' statements are based on the fact that Peruvian authorities lost track of those persons, who had been granted political asylum, once the Panamanian authorities requested their extradition.

According to Linares, the Peruvian Government's failure to locate those individuals after their extradition was requested distorts the right of asylum and mocks Panama and the international community.

Linares said the Peruvian prosecutor asked the Supreme Court of Justice to revoke the parole that the 8th Court granted to Wittgreen.

"It is useless for the Supreme Court of Justice to confirm the prosecutor's request if Wittgreen is nowhere to be found and out of reach of the Peruvian authorities," Linares said.

He also said that, although Wittgreen did not deserve to be released juridically speaking, he was released because certain people in Peru wanted him out of the picture.

Linares criticized Peru on its use of the right to political asylum. As an example, he mentioned the 93 Venezuelan soldiers who participated in the coup attempt against President Carlos Andres Perez and who were given political asylum by the Peruvian Government.

Leo Gonzalez on Amnesty, Cruz' Removal

PA0412152692 Panama City Radio KW Continente in Spanish 1220 GMT 4 Dec 92

[Telephone interview with Deputy Leo Gonzalez, president of the National Assembly's drug commission, by Homero Londono in Panama City—live]

[Text] This is a conversation with Deputy Leo Gonzalez, president of the National Assembly's drug commission. We would like to hear your opinion on a possible amnesty. It is said every year that political prisoners will be given amnesty in December. However, the Prosecutor General says there are no political prisoners. The Catholic Church also opposes such an amnesty.

[Gonzalez] Good morning, Homero. I suppose this is one of the negotiation points that the Democratic Revolutionary Party [PRD] and other parties are trying to present to the government for a consensus. We have said at other times that common criminals cannot be given amnesty here. The people who stole money, and beat, tortured, and killed civilians, cannot be released. For instance, the Dignity Battalions, who harassed the population prior to the invasion and, right after the invasion, looted stores, gasoline stations, government offices, and the National Lottery, where they stole millions of dollars, cannot be given amnesty. I would agree with giving amnesty to political prisoners, if there are any, but I think this is not the case.

[Londono] None of the persons you mentioned has been tried. Only people without money, such as former soldiers of the now defunct Panama Defense Forces, have been tried.

[Gonzalez] It is true that the Administration of Justice moves slowly in Panama. You will understand why I have filed so many charges against the Prosecutor General's Office. That is where the problem seems to lie, not in the judicial branch per se, that is the Supreme Court of

Justice, tribunals, etc. The Prosecutor General's Office, either on purpose or from sheer ineptitude, has delayed the processing of all of the cases against these individuals. Naturally, the trial stages are never reached. I understand the situation of people in prison who expect to be tried to learn what it is all about. Unfortunately, the Prosecutor General's Office is concerned with other things instead of following the proper procedure to deal with the crimes committed in the recent past.

I have heard the prosecutor general say he is now investigating the officials of the new government, but he has not yet finished with those of the previous government. As a result, he will not be able to complete either of the two tasks. I think this is what has led some to demand amnesty, but I do not think it should be given. What must be done is correcting the problem at the Prosecutor General's Office and then expediting the Administration of Justice, so those accused of crimes can be tried and sentenced or acquitted.

[Londono] Much has been reported on wiretapping recently. President Endara once said that even his own telephone is wiretapped. Does the Assembly know anything about this?

[Gonzalez] In an incredible remark during a meeting in Chiriqui, the prosecutor general admitted his office can wiretap telephones, if it is found to be necessary for an investigation. Article 29 of the Constitution flatly forbids wiretapping. You can hear inexplicable noises in the telephone through which I am speaking right now. This indicates that very likely it is wiretapped and this conversation is being recorded so I can be blackmailed later.

I think freedom is one of the things we have fought for most tenaciously in this country. The freedom of being able to say what we want over a telephone should not be limited by anyone. I am sure if consulted, the Supreme Court of Justice would rule against wiretapping by the Prosecutor General's Office or any other agency or institution. However, Prosecutor Cruz again has interpreted the law as he pleases, and has said he can do it. This is easy for him, considering that he also released drug traffickers' bank accounts. These are the despicable things that make people in Panama lose confidence in the Administration of Justice more and more. [Londono] Technical Judicial Police [PTJ] Director Jaime Abad several days ago announced that he had fired more than 15 officials, because they were found responsible for drug use and trafficking. However, the prosecutor general reinstated every one of them. A couple of days ago it was reported that in a PTJ cell, a new PTJ member raped a Colombian citizen, who had been arrested on drug trafficking charges. What do you have to say about this?

[Gonzalez] I understand this man was one of the 17—they were not 15 but 17—members whose drug test was positive. Drug users are unpredictable. You should not have men of this type working for an organization like the PTJ. It is incredible. This is where the trouble between Abad and Cruz started, because Abad saw a number of individuals, whom he had fired because they were unreliable, reinstated into the PTJ. They were reinstated as the prosecutor general's toehold into the PTJ to undermine the latter's work. I think Abad will have to go to the Supreme Court of Justice again and ask permission to fire those 17 drug traffickers. There was already a rape, and now a woman was raped, too.

The situation of the Administration of Justice handled by the prosecutor general explains why amnesty is also a problem to be added to all other troubles. I think Solicitor General Donatilo Ballesteros has to make a historic decision, which he will surely be able to handle properly, and remove Cruz. The people will see that, once Cruz is removed, the Administration of Justice will begin to work just as we have been striving for.

Cruz Denies U.S. Influences Law Application

PA0512194692 Panama City LA PRENSA in Spanish 4 Dec 92 p 2-A

[By Hermes Sucre Serrano]

[Text] Attorney General Rogelio Cruz told LA PRENSA on 3 December that neither anonymous U.S. officials nor U.S. Ambassador Deane Hinton have any say on how he should apply Panamanian laws on the freezing or release of funds.

THE WASHINGTON POST newspaper reported that some unidentified U.S. officials had criticized Cruz for releasing bank accounts that were possibly linked to money laundering.

President Guillermo Endara said on 3 December that during his administration the U.S. Government has never voiced any objections to the attorney general's freezing or unfreezing of funds allegedly linked to money laundering.

During his weekly news conference on 3 December, the president said he did not know about any such reports because the United States has respected Panama's autonomy and sovereignty. "I have never heard any U.S. official complain about a Panamanian official," he emphasized.

Attorney General Rogelio Cruz told LA PRENSA that the U.S. newspaper report is part of a campaign to make people think "it must be true because U.S. officials are saying it."

He noted that neither "anonymous U.S. officials" nor U.S. Ambassador Deane Hinton can tell him how he should apply Panamanian laws on the freezing or release of funds. "I will not act according to U.S. wishes. They cannot tell me what I should do in Panama. I am the only one who decides that. I will not go down in history as an attorney general who violated Panamanian laws and followed orders of other countries, be it the United States or any other country," he stated.

Cruz said he knows what he is risking by asserting his autonomy and added: "I am not going to cooperate in being a part of U.S. authority. No! It is the U.S. authorities who are an appendage in the application of Panamanian laws."

He said he has always cooperated with the United States in the drug trafficking struggle and explained that all the accounts that have been released in Panama due to a lack of evidence have been discussed with U.S. authorities. Cruz showed Colombian publications claiming that over $70 million frozen by U.S. authorities had to be released due to a lack of evidence. "Releasing accounts due to a lack of evidence is something that happens everyday in Latin America, and even in the United States," he added.

Cruz recalled that U.S. laws are different from Panamanian laws because "in the United States, the owner of the funds has to prove their legal source, whereas in Panama, it is the prosecutors who have to prove otherwise."

He said he has discussed these differences with Ambassador Hinton, who understands them and has "recommended changes" to the laws.

Cuban Consul Criticizes Reports of Castro Estate

PA0512160492 Mexico City NOTIMEX in Spanish 0127 GMT 5 Dec 92

[Excerpts] Panama City, 4 Dec (NOTIMEX)—Reports published here about the existence of an estate valued at over one-half million dollars that allegedly belongs to President Fidel Castro are "injurious against Cuba", a diplomatic source said on 4 December.

Cuban Consul Roberto Infante told NOTIMEX that the reports that appeared in the local media on 4 December are "malicious attempts to discredit Cuba and are part of the anti-Cuban campaign that has intensified in recent months."

A weekly magazine and a daily newspaper with national distribution said on 4 December that Castro owns a "beautiful" ranch of over 800 hectares near the town of Arraijan, some 12.8 km west of Panama City, close to the Panama Canal and the U.S. military installations here. [passage omitted on description of farm activities at the estate]

The Cuban consul explained to NOTIMEX that the ranch is registered to a Panamanian company that operates legally in the country with Cuban personnel, "as do many other companies in Panama."

"I know the ranch was put up for sale due to low profits, but I cannot say if the property has been sold yet," the diplomat added.

Infante said the information published about the ranch is misleading and ill-intended because it is a known fact that Cuba does business with companies in this country, and these publications "aim to discredit Commander Fidel."

"We know the reports have been programed for over 20 days, just waiting for the best moment to bring them into the light," the diplomat pointed out.

Infante said the reports have been published at the same time that debates about Cuba have arisen at international forums such as the United Nations over issues like the Torricelli bill, which seeks to tighten the blockade against the island.

The reports come less than four days before the Central American Presidential Summit and, according to diplomatic sources, they are the product of sectors that seek to promote a resolution to condemn Cuba by the leaders of the isthmus who will meet here from 9 to 11 December.

Argentina

Menem on Budget, Signing of Brady Plan on 6 Dec

PY0412182492 Buenos Aires Radio Nacional Network in Spanish 1500 GMT 4 Dec 92

[Telephone interview with President Carlos Menem by Pedro Olmo Ochoa in Caracas—live]

[Excerpt] [passage omitted] [Olmo] Mr. President, last night after 15 hours of debate the Chamber of Deputies approved the 1993 budget bill. Please allow me to congratulate you because the budget bill has never been sent to the Chamber of Deputies in October since 1983—except during your government. The same thing happened last year.

[Menem] We presented it in September.

[Olmo] In September.

[Menem] The Constitution establishes the date: By 15 September.

[Olmo] This budget was approved last night, at least by the Chamber of Deputies.

[Menem] This has not been done, I think, since the beginning of the century. I insist that you check at least the past 60 years. The budget was never presented on time for the past 60 years.

[Olmo] This may be due to our economic stability. You can figure the numbers if you know that next year reality will support your figures.

[Menem] All ministers know, all public officials know, that once the budget is approved you cannot change it to increase spending. This is definite. All that has been calculated has been consulted, talked about with those concerned so as to avoid the habit of trying to modify the figures assigned to each area. We will be absolutely firm in this aspect. We will not allow any increases. We want to strictly implement the budget. This is the only way to be successful.

On 6 December, for instance, we will sign the Brady Plan. All budget areas and all amounts allocated in it are linked to fulfilling our international obligations. This is why our creditors trust us, because we take things seriously. There is no possibility, I repeat, of reformulating what Congress has approved.

[Olmo] Mr. President, you have just mentioned the Brady Plan. I am glad you mentioned it because the ceremony on Sunday will be a historic event.

[Menem] That is correct. We will sign the Brady plan at the Post Office Building at noon on Sunday. High ranking officials from around the world will be present to accompany us in the act. The economy minister and practically all other ministers will be present. This is very important for Argentina.

[Olmo] The Brady Plan essentially gives the country guarantees because we did our homework. It is a vote of trust. Some people criticize our willingness to sign the Brady Plan as they criticized the sending of ships to the Persian Gulf. This is what makes the international press praise your government. It increases the importance of Argentina abroad.

[Menem] I understand that those who complain about this great achievement for the country are the same people who failed in Argentina before. They are a minority, they are those who miss the Berlin Wall. This act will be translated into fresh money from international organizations to continue a series of very important public works in the country. When we sign the Brady Plan we will be guaranteeing the funding for public works like flood defenses, the Yacyreta [hydroelectric dam] project, the process of provincial and municipal governments' transformation, among many things. On Sunday we will sign the Brady Plan and that night Minister Domingo Cavallo will travel to Japan because we will also receive funds from that country. This would not have been possible had we not began to work seriously, for once and for all, to determine how much we owe abroad in order to pay our debt. [passage omitted]

Plan Signed; Cavallo Comments

PY0712110892 Buenos Aires TELAM in Spanish 2057 GMT 6 Dec 92

[Text] Buenos Aires, 6 December (TELAM)—Economy Minister Domingo Cavallo has stated that the agreements signed today with creditor banks will enable Argentina to reschedule "once and for all" its external debt. He used the occasion to reiterate that the economic policy will continue unchanged.

During a speech at the signing of the Brady Plan at the Post Office Building, Cavallo compared the event with the reestablishment of diplomatic relations between Argentina and Great Britain in February 1990, when he was foreign minister, and remarked that both events are of "momentous significance for the reinstatement of Argentina in the international community."

Speaking to President Carlos Menem, Cavallo said that he recalled "that when you, Mr. President, appointed me as foreign minister, you set precise objectives and specific dates for negotiations with the British, all of which had to be accomplished by the first quarter of 1990; and it was."

Cavallo continued: "In November 1991, when you sensed that the IMF would back us, you established objectives and dates for putting our finances in order through the rescheduling of our external debt and through fostering rapid economic development."

Cavallo recalled Menem's desire to have "the agreements signed during 1992," and underlined that "this is precisely what we are doing today."

Like [Citicorp U.S. Vice Chairman] William Rhodes, Cavallo pointed out that "it is important that the world should know that Argentina has a political leadership capable of implementing the economic, political, and social plans that it chose in 1989," clearly alluding to Menem's role.

Cavallo said that Argentina has recovered its creditworthiness, which means that "there is an inflow of capital which stays, unlike the period of the capital flight which was prevalent for more than a decade. This is of utmost importance. The same applies to the opportunities for access to international capital markets, which will enable us to export and grow."

He made it clear that economic growth and the expansion of exports should not be achieved on the basis of "low wages, as so often in the past, but through full use of human resources and with the help of capital investments."

Cavallo stated: "We are not intimidated by the surplus in the capital account of the balance of payments nor by the deficit in the current account balance because the inflow of capital is a sign of trust in the economy and because it is the private sector that decides on the use of that capital as venture capital."

He pointed out that Argentina's economic reform "guarantees that the inflow of capital will not be motivated by speculative ends or used to finance inordinate government expenditure."

He stated that the way to attract capital is through "creating opportunities for productive investments via the privatization of state-owned enterprises, deregulation, economic freedom, monetary stability, and legal security."

Cavallo Says Budget To Stay 'Totally Balanced'

PY0612224492 Buenos Aires BUENOS AIRES HERALD in English 3 Dec 92 p 3

[Text] (DYN-NA)—Economy Minister Domingo Cavallo yesterday stated that the national budget will remain "totally balanced" until the end of President Carlos Menem's term, that interest on both foreign and domestic debt will be paid "in full and on time" and that "significant portions" of the national debt will be amortized.

Speaking at the Stock Exchange, he also predicted that the economy, which grew 8.5 percent in 1991, would increase this year, "in a similar proportion, and continue growing rapidly in 1993 and 1994" in a manner "similar to Germany and Japan after the Second World War."

Responding to recent criticism of problems with state accounts and a downward economic spin, Cavallo renounced the possibility of a recession or a currency devaluation. "They are simply wrong," he said of the doomsayers. "They haven't understood what is going on in the Argentine economy."

Also addressing the gathering of 400 Bolsa members and guests was Treasury Secretary Ricardo Gutierrez, who said that "criticism of the 1993 budget is not based on scientific analysis but rather on points of view" and that none of the critics "took the time to read the budgetary information in a detailed manner."

President Swears in New Ministers

PY0512015792 Buenos Aires TELAM in Spanish 2359 GMT 4 Dec 92

[Excerpt] Buenos Aires, 4 Dec (TELAM)—President Carlos Menem stated tonight that "Argentina will once again occupy the place that it merits in the....the world," and he expressed his conviction that "those sectors that want Argentina to fail are on the wrong path...."

Menem spoke in the White Hall of Government House after he had sworn in Interior Minister Gustavo Beliz, Labor and Social Security Minister Enrique Rodriguez, and Culture and Education Minister Jorge Rodriguez. The White House was completely full of guests, who loudly applauded the new ministers. [passage omitted]

Menem Denies More Cabinet Changes Planned

PY0612222592 Buenos Aires BUENOS AIRES HERALD in English 4 Dec 92 pp 1, 11

[Excerpt] (DYN-NA)—President Carlos Menem denied yesterday that he would continue to shuffle his Cabinet and stated that Foreign Minister Guido Di Tella, singled out as another possible minister on the way out, and Drug Prevention Secretary Alberto Lestelle would continue in their posts.

Menem said that he had decided to wait for a moment "when there was no unrest and things were more or less stable" to replace the education, interior and labour ministers because "if I had decided these changes" when the dollar broke the convertibility barrier last month "it would have been (like) putting out a fire with petrol."

The President ruled out that the shakeup was made to prepare for the upcoming electoral year and announced that in 1993 his government would turn its attention to the country's social problems.

He stressed that the Cabinet changes were necessary after three years in power and added that the three new ministers would have total freedom to appoint their aides. [passage omitted]

Colombian President Ends Visit, Departs

PY0412173992 Buenos Aires TELAM in Spanish 1156 GMT 4 Dec 92

[Text] Buenos Aires, 4 Dec (TELAM)—Colombian President Cesar Gaviria Trujillo departed for his country at 1110 GMT aboard a Colombian Air Force plane from the military sector of the Jorge Newbery metropolitan airport.

During his stay in Argentina, Gaviria attended the Rio Group summit. Yesterday he and President Menem signed a joint declaration and economic and cultural cooperation agreements.

The Colombian president was awarded the Jose de San Martin Order while President Menem was awarded the San Carlos Order. These are the highest decorations awarded by Argentina and Colombia to distinguished personalities.

Gas Companies Sold in Biggest Privatization Yet

PY0612222392 Buenos Aires BUENOS AIRES HERALD in English 4 Dec 92 p 3

[Excerpt] (DYN-NA)—Seven of the ten companies into which Gas del Estado was divided for privatization were sold in a drawn-out bidding ceremony ending early yesterday morning, while the winners of the three remaining companies will be announced next Wednesday [9 December].

From the 52 bids made by 14 consortia, the government awarded two gas pipelines and five of the eight distribution zones of the biggest state-owned company to be privatized so far. The Treasury expects to receive some 2.7 billion dollars in cash and debt bonds from the sale before the end of the month.

The Sideco Americana-Italgas (Argentina-Italy) consortium was awarded the Centro and Cuyana distribution regions at 138 million dollars and 122 million dollars respectively.

The group made up of Camuzzi (Italy) and SG Argentina took the Pampeana and Sur zones, with offers of 235 million dollars and 148 million dollars respectively.

The Tractebel-Iberdrola-Garovaglio and Zorraquin-17 de Abril group made the winning 103.5-million-dollar offer for the Litoral distribution area.

The Gas del Sur pipeline went to the Enron-Perez Companc-Citicorp-APDT group (US-Argentina) for 356 million dollars in cash, foreign and domestic debt bonds.

The Canadian-led Novacorp-Wartins and Transcogas (Techint-Sociedad Comercial del Plata-Meller) consortium offered 210 million dollars to take the Gas del Norte pipeline.

Winners of the Metropolitana, Norte, and Noroeste regions will not be made known until Wednesday, as the best offers for those zones were made by the Camuzzi consortium which had already been awarded two distributorships.

Rules governing the tender don't allow the same consortium to be awarded two pipelines and one distributorship, more than one of the three biggest distributorships (Metropolitana, Buenos Aires Norte, and Pampeana) or more than two distributorships.

Brazil

Purchase of 200 MiG-29 Combat Planes 'Denied'

PY0712111092 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 7 Dec 92 p 14

[Article by "W.W." from Moscow]

[Text] Even though the Russians are prepared to sell everything cheaply, they remain cautious. The attempt by a Rio-based Brazilian licensed arms trading company to purchase 200 supersonic MiG-29 combat planes for a total of $5 billion has been thwarted following discreet talks between the Russians and the Brazilian Government.

Michael Bende of Embramil Consultants and Trade [Embramil Consultoria e Comercio], headquartered in Rio, proposed the deal to Moscow Aircraft Production Organization (MAPO), the manufacturers of the famous MiG-29. Embramil is registered at the Eastern Military Command as licensed to purchase military materiel. This company is also linked to Interbell, headquartered in Liechtenstein.

The Russians wanted to close the deal but its size and the credentials of the Brazilian company made them suspicious. They were told that 200 planes is sufficient for at least three countries—Argentina, Brazil and Chile—but MAPO suspected the real buyer was someone who was unable to purchase the planes directly from the supplier. This was why they queried the Brazilian Government.

Although the Brazilian Ministries of Army and Aeronautics have nothing against Embramil, they advised the Russians that the company was not authorized to import military equipment, less still supersonic planes. The Aeronautics Ministry went even further: It stated that there are no plans to replace Brazilian combat planes and whenever such plans materialize, the aeronautics minister will handle the negotiations personally.

State Company Seeks Russian Missile Technology

PY0712024592 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 Dec 92 p 14

[By William Waack]

[Text] Moscow—Brazil is negotiating with Russia for the purchase of technology for manufacturing tactical missiles. The talks, which already are past the initial stage, are now in the stage of specifications of terms and prices. The technology that Imbel [War Materiel Industry], a Brazilian state-owned company, wants to purchase in Russia allows for the manufacturing of missiles with a range of up to 300 km.

Vitaliy Kataev, director of the Moscow-based commercial agency representing the Russian military-industrial complex's interests, said: "We believe cooperation is feasible. We are willing to work with the Brazilians, but I insist that a decision must be made quickly."

The development of several types of missiles is an old dream of the Brazilian materiel industry, which achieved a certain degree of success in the 1970's with the sale of less-sophisticated missile launchers. Brazilian desires have always run against an international system that restricts access to this type of technology, the Missile Technology Control Regime, whereby the main suppliers of missile technology committed themselves to preventing its proliferation.

Kataev said: "In 1990, then-President Mikhail Gorbachev also signed this international commitment." At that time, Kataev was serving on Gorbachev's team of negotiators for disarmament. He added: "that agreement does not prohibit the sale of missiles with a range of less than 300 km and weighing no more than 500 kg." He said: "I know this will provoke reactions from Washington, but the commitment on missile technology does not encompass this type of model."

New Task—On the 26th floor of the old CEMA building (the now defunct common market of socialist countries), Kataev has not yet even arranged his chairs and desks, which have just arrived. A graduate in aeronautics engineering and specialized in missiles ("I do not need to say that I helped develop many of the missiles that I had to help destroy later"), 60 years old, he is now facing an ambitious task: to rescue what is left of the Soviet military-industrial complex.

First, he helped Gorbachev. Under Boris Yeltsin, Kataev supervised a program for retrofitting military facilities into civil production units. Kataev said this program resulted in the reconversion of 92 percent of facilities for manufacturing heavy tanks. The main result, however, was the lifting of the barrier of confidentiality and secrecy surrounding weapons and technologies developed in the old USSR.

Kataev said: "In the past we only sold items that already had gone into operation in national forces for at least four or five years, and these still were exports that were not equipped with the most advanced gadgets." He added: "That is over now. We are now going to sell our most modern items, and we will seek to please our clients."

Distrust—In the case of Brazil, this means that Russia is willing to form joint ventures, to assume a share (or full responsibility for) the production of joint projects, to send experts or specialists, to discuss the sale of advanced technology; or, if Brazil is interested in developing combat supersonic units [supersonico de combate], Russia is willing to offer test sites and laboratories. Kataev's main effort is designed to dispel "a certain distrust" provoked by direct contacts between potential partners and Russian state-owned companies of the military-industrial complex that have not yielded any tangible result.

Kataev added: "Our business center of the military-industrial complex offers everything, even its own line of credit, if the contracted amount does not exceed certain limits, as well as solutions that are adapted to the customer's needs." Kataev said: "We are certain that we will be able to do great things with Brazil."

Franco Fires DNC Official Over Fuel Price Decree

PY2811132092 Rio de Janeiro O GLOBO in Portuguese 26 Nov 92 p 2a

[Article by Rodolfo Fernandes and Monica Gugliano]

[Text] Brasilia—It was a tense dawn for the government when President Itamar Franco woke up three ministers and dismissed Maria Auxiliadora Jacobina Vieira, director of the National Department of Fuels, (DNC) [Departamento Nacional de Combustiveis] for having published in the Official Gazette a decree correcting the fuel price readjustment in some states without informing the Planalto Palace. The fuel price readjustment was made last week.

Itamar learned about the decree at home while watching the "Jornal da Globo" newscast (aired by Globo TV) at approximately 0200. He immediately telephoned Civilian Household Chief Henrique Hargreaves, who was asleep, and ordered him to be awakened.

Annoyed, Itamar listened to the explanations and inmediately telephoned Planning Minister Paulo Haddad and Finance Minister Gustavo Krause, who were also asleep.

None of the three ministers knew about the decree signed by Vieira, even though it was published in the page of the Official Gazette dedicated to the Finance Ministry.

In addition to dismissing Vieira at dawn, Itamar devised—he went to bed at approximately 0400—a new rule for the price readjustments controlled by the Government.

MR—Itamar told his ministers: From now on, no salary increase will be granted to public administration employees without the president of the Republic's previous knowledge. All resolutions related to price increase will be sent to the presidential office to be personally authorized by Franco. Only after that, will they be sent to the Official Gazette. In addition to the three ministers who were awakened early in the morning, the decision was conveyed to Paulino Cicero, mines and energy minister.

According to President Franco, the DNC director's mistake threw overboard all the government efforts to normalize the fuel price readjustment. Last week, Franco had decided to authorize the increase in two stages and to report on the second stage a few days before its implementation. The first readjustment, which totalled 12 percent, was implemented on 20 November and the second, which will total 10 percent, has been confirmed for 29 November.

This, however, was not the only reason for Franco's irritation. According to the ministers, he considered it

absurd that such an important administrative act could reach the Official Gazette's printing shop without Planalto Palace having learned of it.

He asserted: No such thing will occur again.

Paulino Cicero, mines and energy minister, who met Franco at Planalto Palace, has the same opinion:

"The national Fuels Department cannot continue as it has up to the present time: an exclusive Petrobras [Brazilian Petroleum Corporation]. I am going to place a person there, who will be neutral where the agents of the process of producing and distributing fuels are concerned," Cicero said.

The minister explained that the increase that made Franco so irritated, in truth, was the rectification of an error in the adjustment that was published on 21 November. Meanwhile, the publication of the correction was made without consulting Planalto Palace. According to Cicero, the error was found in the computer program of the DNC, which changed the values of alcohol and gasoline. For 2 days, some places were charging more and others less for the products. The resolution readjusting the price of fuels by 10 and 12 percent that was signed by Finance Minister Gustavo Krause was published with an error in the Official Bulletin last Saturday, and it was only on Tuesday that the rectification was published.

Paraiba was most affected; it was the only state where the consumer paid 37 cruzeiros more for fuels. The people who paid more will not get refunds. Consumers in Alagoas, Bahia, Ceara, Maranhao, Minas Gerais, Parana, Mato Grosso, and Rio Grande do Sul States paid between 25 and 62 cruzeiros less for their fuel.

Thieves Steal Van Containing Radioactive Substance

PY0412173192 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 4 Dec 92

[Text] A Volkswagen van containing a radioactive substance was stolen from Rio de Janeiro's Santos Dumont Airport this morning. Two armed men overpowered the driver near the runway. The van contains iodine 125—which is a highly toxic substance—and computer equipment. The robbers may not be aware of the radioactive substance. The national Nuclear Energy Commission's emergency office has already been alerted.

Final Senate Vote on Collor Postponed to 22 Dec

PY0312134992 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 2 Dec 92

[Excerpts] The Senate has approved—by 67 votes in favor, three against, and 10 abstentions—the impeachment commission report which accepts the charges of malfeasance in office against removed President Fernando Collor.

The session was presided over by Justice Sydney Sanches, president of the Federal Supreme Court, STF, and of the impeachment process. It began at 1435 this afternoon with the discussion of the report and lasted more than three hours. After the report was approved, Justice Sanches gave Prosecutor Evandro Lins e Silva a 48-hour deadline to present a summary of the charges. Lins e Silva promised to complete the bill of indictment tomorrow morning. [passage omitted]

Justice Sanches reported that removed President Fernando Collor's trial at the Senate has been postponed. The Senate will be summoned to rule on malfeasance in office charges against Collor on 22 December instead of 18 December as Senate President Mauro Benevides had planned. [passage omitted]

[Begin Sanches recording] [passage omitted] I will receive the trial documents from the Senate presidency and set the date for the trial. I believe the trial will be on 22 December, because on 18 December—the date established before—several senators will still be out of the country. The presidency wants Collor to be tried by the Senate plenum and that will only be possible on 22 December. [end recording]

Justice Sanches does not believe the writ of injunction filed by the removed president's defense lawyers will delay the trial at the Senate, because STF Justice Carlos Veloso has established in his report that if the STF does not rule on the writ of injunction, he will decide whether to grant the preliminary ruling.

French Lawyer To Participate in Collor's Defense

PY0312022092 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 2 Dec 92

[Text] Federal Deputy Roberto Jefferson, former member of suspended President Fernando Collor's shock troops in Congress, read from the floor a note signed by French lawyer (Paul Lombard) confirming that he will participate in the suspended president's defense.

In the note, the French lawyer denied an agreement with Collor to obtain a resident visa for him in France. (Paul Lombard) also doubted that the Senate is the appropriate forum to try Collor. This created indignation among senators. The first reaction came from Senate President Mauro Benevides, who considered the note unjust and unreasonable. Benevides said the Senate has a tradition of serenity, and it will remain calm in the defense of its sovereignty against the attacks of foreigners.

* Computer Thefts Said To Expose Nuclear Secrets

Espionage Theories

93SM0072A Sao Paulo ISTOE SENHOR in Portuguese 11 Nov 92 pp 28-30

[Article by Mario Chimanovitch]

[Text] After having been treated as a national security matter by all of Brazil's recent governments, the country's nuclear energy secrets may at this very moment be being manipulated by native laymen, or even by scientists working for some foreign power. Although they may seem to have been borrowed from a novel by John Le Carre or Ian Fleming, masters of international spy literature, such theories cannot be dismissed now that thieves have gained entrance to a building occupied by the National Nuclear Energy Commission (CNEN) at Rua General Severiano 90, in the Botafogo neighborhood of Rio de Janeiro's southern zone. The incident occurred on the evening of 17 March of last year, but is only now being revealed—by ISTOE in this exclusive story. On that occasion, the invaders stole a microcomputer whose memory contained what professionals in the nuclear energy business call "the national atomic inventory." This is a detailed list of the stocks of strategic radioactive materials on hand in Brazil, such as uranium and plutonium, which can be used either to generate electricity at power plants, or to make bombs.

Besides making off with the computer, a Microtec MF 88, the bandits opened the safe used by the board of directors of Radio Protection, Nuclear Safety, and Safeguards and took a diskette containing secrets about the projects carried out by Brazilian authorities to exploit radioactive materials. According to Federal Police records, the thieves took the trouble to remove five other items: a photographic flash attachment, a slide projector, a pair of binoculars, a monocle, and a typewriter. Policemen assigned to investigate the case believe the group deliberately wanted to make the operation look like a simple robbery, a common occurrence in government offices.

The theft of the computer and the diskette were kept secret from the outset because matters the military considers of strategic importance were involved. Furthermore, Brazil had been negotiating with Argentina concerning the accession of both countries to the International Atomic Energy Agency (IAEA), which would put all the nuclear activities of the two countries under that agency's control. Finally consummated on 13 December 1991, the accord made disclosure of the incident even more awkward, since it raised doubts about Brazil's ability to handle such sensitive issues. ISTOE obtained, on an exclusive basis, a copy of an official communication sent confidentially by scientist Anselmo Paschoa—then director of Radio Protection, Nuclear Safety, and Safeguards—to Rio de Janeiro Federal Police Superintendent Edison de Oliveira. Sent four days after the theft, the document bears the number 040/91 and emphasizes in the very first paragraph that the data kept in the microcomputer's memory are "of great relevance to the country's safeguards system."

Strangely, given the nature of the case, the Federal Police have been treating it like an ordinary robbery. The investigation ended up in the Rio Federal Police's Treasury Police Bureau, which has few leads on the identity of the thieves and is investigating another, equally intriguing, incident: the theft of two microcomputers from the Nuclear Engineering Institute (IEN) at the Federal University of Rio de Janeiro, which occurred on 23 October 1991. In an action that bears some similarity to scenes made popular by the 007 films, men armed with machine guns subdued the guards at the IEN building on the Ilha do Fundao campus in Rio's northern zone and took two Casio microcomputers on which secret data on atomic research had probably been stored.

The superintendent of the Federal Police in Rio believes the computer thefts at the CNEN and the IEN may be related. "They look like classic espionage cases involving theft of important secrets," said Oliveira, who promises that he will personally interview CNEN Chairman Jose Luiz de Santana Carvalho. Accustomed to discharging duties that seem to have been at least remotely inspired by the adventures of special agents created by literature and the movies, staffers at the Strategic Affairs Secretariat (SAE), the agency that replaced the notorious National Intelligence Service (SNI), say that certain countries have always had an interest in obtaining secret data on Brazilian atomic energy programs.

Said to be among the nations that are so curious are the United States and Israel. "The Americans [would be] motivated by commercial resentment since Brazil is a serious candidate for admission to the exclusive club of international suppliers of components for nuclear systems," argued one of the detectives who works for the SAE. "The Israelis, in turn, do not look kindly on our closer commercial ties with the Arab nations." Our source notes that Brazil was engaged in mysterious deals with Saddam Hussayn's bellicose Iraq, to which it secretly sold, early in the 1980's, tens of tons of yellow cake, a yellow paste of concentrated uranium that is practically free of impurities. When called to account by the press, the Brazilian government alleged that the material was to be used for processing phosphate at a Belgian-built plant at Alaqin, an Iraqi city on the Turkish border. However, there were lingering suspicions that the actual purposes were less pacific.

Convinced that Brazil has been the target of activities—as intense as they are discreet—perpetrated by foreign "spooks" [arapongas], professionals in Brazilian intelligence services insist they are keeping a watchful eye mainly on American agents. That directed interest is a result of the suspicion that the CIA, the U.S. Central Intelligence Agency, might be involved in the theft of the microcomputer from CNEN. To add yet another element of international intrigue to the story, this suspicion is said to be behind a theft of U.S. diplomatic pouches that were dispatched from Rio de Janeiro last year. If the conjecture is true, a group of Brazilian James Bonds may have intercepted the pouches in the hope of finding confidential information on the Brazilian nuclear program in them.

The CNEN chairman confirms that Brazil would be able to enter the international atomic market on a "highly competitive basis," but believes foreign spies were not

the ones responsible for the theft of the office computer and suggested another, similarly surprising, scenario for the episode. "I blame the operation on Brazilian ultranationalist groups comprised of civilian and military elements who oppose the dismantling of the so-called parallel nuclear program," said Carvalho, in a reference to the dream that began during the "uniformed" regime and was aimed at giving the country the recipe for the atomic bomb, a project apparently buried by Fernando Collor (see box).

These ultranationalists, according to the CNEN director, have been rather vehement in expressing their dissatisfaction with the announced winding down of Brazil's nuclear plans. "I have received telephone threats, my apartment in Brasilia has been turned inside out, and I even escaped a gunman in Rio," he asserted. "These are dangerous fanatics." Carvalho also related that on one occasion, enthusiastic advocates of the manufacture of nuclear weapons sabotaged his car by letting the air out of the tires and loosening the steering tie rod.

Now doing research at the Department of Physics of the Pontifical Catholic University (PUC) in Rio, Paschoa gave assurances that the secrets removed from the office of the directors who headed the CNEN are no longer as important as they were in March 1991. "The job was done by people who thought we knew more than we actually did know," hazarded the scientist, an adherent of the theory that the crime was committed by persons interested in putting the negotiations for the agreement signed by Brazil, Argentina, and the IAEA on the skids. Another specialist in nuclear energy, Luiz Pinguelli Rosa, believes there exist other countries eager for information on the movement of strategic nuclear materials in Brazil. He emphasizes, however, that the data stored in the computer would not by itself enable someone to unravel highly complex secrets, and he termed the incident as being "of relative gravity." Former Education Minister Jose Goldemberg, also a nuclear physicist, who was national secretary of science and technology at the time when the computer was stolen but has now rejoined the staff of professors at the University of Sao Paulo, was reluctant to comment on the matter: "Thefts of computers occur in all government offices."

Judging by the absolute paucity of discoveries by police in charge of investigating the incident, one may legitimately conclude that the findings will not lead anywhere. Indeed, efforts to clear up the theft of the computer at CNEN have virtually been abandoned. At the request of ISTOE, the PF superintendent in Rio ordered his aides to locate the files on the case. After three days, the advisors brought him the documents concerning the theft of the two computers at IEN, but nothing about the first episode. Oliveira apologized and said that the exhibition of the files would have to be postponed. It is hoped that these papers have not also been stolen.

Parallel Program Revival

93SM0072B Sao Paulo ISTOE SENHOR in Portuguese 11 Nov 92 p 30

[Text] Criticized by scientists and defended by the military, the parallel nuclear program has all it needs to recuperate its energy. Begun during the cycle of "uniformed" governments and marked by the covert search for the formula that would enable this country to make its first atomic bomb, work on the project was decelerated during the Fernando Collor administration. Now, with Itamar Franco in power, there are signs that the program may pick up speed and return to its former levels. Hints as to the future of the project may be found in the appointment of one of its leading advocates, former Navy Minister Admiral Mario Cesar Flores, to the post of Secretary of Strategic Affairs. It will be Flores's job to coordinate Brazilian nuclear policy. According to him, the military's role will be to "cooperate" with the CNEN [National Nuclear Energy Commission], a agency connected to the SAE [Strategic Affairs Secretariat], in conducting research projects, which include two plans of questionable utility undertaken with Navy observation and enthusiastically supported behind the scenes by the admiral himself: the building of a nuclear-propelled submarine, and work on uranium enrichment.

Physicist Luiz Pinguelli Rosa, a vociferous opponent of the parallel program who was considered for appointment as President Itamar Franco's Science and Technology Ministry, regrets that the president has decided to keep the CNEN under the SAE umbrella instead of transferring it to the Cabinet portfolio that was almost given to him. "Nuclear policy continues to have a military connotation," he said. "The building of an atomic submarine cannot be viewed as a priority." Of all the organizational models tried out on the sector, at least one—which would seem to leave some of the activities in that field in the hands of civilian, has Pinguelli's support. This is the transfer to the Mines and Energy Ministry of two state corporations now linked to the secretariat administered by Flores: Nuclebras Heavy Equipment, which makes the machinery needed for nuclear research, and Nuclear Industries of Brazil, which handles the processing of radioactive minerals.

Despite protests by people like Pinguelli, the Navy and the SAE hope to finish building the controversial submarine by 2000, at a cost estimated at $1 billion. Only six countries have similar vessels: the United States, Russia, Germany, France, England, and China. The reactor required to propel the ship is being developed at the Institute for Nuclear and Energy Research (IPEN), a CNEN agency headquartered on the campus of the University of Sao Paulo.

Another important face of the Brazilian nuclear program is being developed at the Aramar Experimental Complex, a research center maintained by the Navy in the Sao Paulo community of Ipero. There, experts are

working on enriching uranium, an activity which, barring undesirable evidence to the contrary, is targeted exclusively at a market composed of 400 nuclear power plants operating in various parts of the world. The administrators of those plants spend about $60 billion a year on the fuel needed to generate electricity—fuel that can also be used to produce nuclear weapons.

The parallel program also includes projects of more stratospheric inspiration, such as the Air Force effort to build a nuclear-powered generator specifically for use in satellites. The Army's main project was interrupted during the Collor government and, fortunately, there are no reports that it will be resumed. It involved the construction of the graphite reactor, a contraption used by the more developed countries in the 1950's and 1960's to make the atomic bomb.

Chile

Further on Gorbachev's Visit to Santiago

Gorbachev Gives News Conference

PY0412123492 Santiago Radio Chilena Network in Spanish 1000 GMT 4 Dec 92

[Text] President Patricio Aylwin will meet this afternoon at La Moneda Palace with former Soviet leader Mikhail Gorbachev who arrived in Santiago last night.

During a press conference at the Santiago international airport, Gorbachev spoke about the need for changes all over the world. The former communist leader said that he does not know of any purely capitalist economic system. He added that it would be absurd to expect Russia, his country, to adopt one. It is necessary to open the way toward a new civilization. This new society should be opened to the Spanish American world, he added.

He said that the new civilization will adopt liberal, socialist, christian, and conservative values. As far as I am concerned, he said, I am a convinced center-leftist democrat.

He added that the new Russia that is coming to life is very interested in communicating with Latin America and other countries of the world, because—he said—Russia is debating the most important issue: What we will do now? This question must be resolved, Gorbachev said.

At the airport, Gorbachev was welcomed by Santiago Mayor Jaime Rabinet and his wife (Jimena Lyon), who gave Gorbachev a bouquet of roses. Rabinet then declared Gorbachev an illustrious guest of Santiago.

Gorbachev will have a busy agenda in Santiago. At 1600 he will meet with President Patricio Aylwin at La Moneda Palace. He will later deliver a lecture to entrepreneurs at the Diego Portales building. The lecture will deal with the new world order and its impact on Latin America. At 2100, he will attend a dinner reception at the Museum of Fine Arts. Tomorrow he will deliver a lecture on the importance of the CIS in world politics and economics. This will be held at the Honor Hall of the University of Chile where Rector Jaime Lavados will award him a honorary doctorate. He will then visit Congress in Valparaiso where he will close the Latin American seminar entitled The Government for Human Development. Gorbachev will meet with Chamber of Deputies President Jose Antonio Viera Gallo and lunch with scientists, intellectuals, and political leaders.

Mikhail Gorbachev's visit will last until 7 December.

Meets With, Praises Aylwin

PY0412235092 Santiago Radio Cooperativa Network in Spanish 2200 GMT 4 Dec 92

[Excerpts] Mikhail Gorbachev met for 45 minutes with President Patricio Aylwin in La Moneda Palace. Gorbachev arrived in Government House five minutes before schedule amid journalists' great expectation. He was welcomed by presidential cabinet chief Carlos Bascunan and presidential aide-de-camp Lieutenant Colonel Carlos Montalva. Six people accompanied Gorbachev during this visit that, although it was scheduled to last 20 minutes, lasted 45 minutes due to problems stemming from slow translation. According to observers, the meeting was pleasant and friendly. [passage omitted]

[Begin Gorbachev recording in Russian with subsequent translation into Spanish] I already had a very positive impression of your president. The interview I had with him has demonstrated that I was not wrong. I am simply impressed with your president. Chile has had luck. [end recording] [passage omitted]

Harassed by Demonstrators

PY0512140592 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1326 GMT 5 Dec 92

[Text] Santiago, 5 Dec (AFP-NA)—Carabineros police today reported that Chilean communists shouted "traitor" and hurled an egg and some stones at the last president of the former USSR, Mikhail Gorbachev, when he was arriving at a banquet held in his honor last night in Santiago.

The projectiles did not hit Gorbachev; two demonstrators were arrested by agents who were protecting the area around the Fine Arts Museum in downtown Santiago, where the banquet was being held.

The arrested people identified themselves as members of the Youth Group of the Chilean Communist Party, which has Marxist-Leninist orthodox leanings.

Gorbachev, his wife Raisa, and a daughter arrived in Santiago on 3 December as part of their tour of South America.

The former president and Nobel Prize winner met President Patricio Aylwin on 4 December. Today he will

receive an honor award at the University of Chile, the most important one in the country, and then visit the Chilean Congress in Valparaiso.

Receives Honorary Doctorate

PY0512190592 Santiago Radio Chilena Network in Spanish 1600 GMT 5 Dec 92

[Excerpts] University of Chile Rector Dr. Jaime Lavados awarded a honorary doctorate to Nobel Peace Prize winner Mikhail Gorbachev, the former USSR president. [passage omitted]

Mikhail Gorbachev thanked him for the degree, which he regarded as an expression of confidence.

[Begin Gorbachev recording in Russian with simultaneous translation into Spanish] I would like to thank you for this honor that I have received. At the same time, now that I am your colleague, as someone who is linked to you, who has strong links with the glorious and outstanding community of this university, which has had enormous merit in the eyes of the nation, I make the commitment of maintaining in high regard, this banner and this top honorary degree that you have awarded me. [end recording]

Gorbachev also congratulated the Chilean people because they have survived many things and passed through many experiences in the past 20 years, but they remained faithful to democratic traditions.

The former Soviet president also was impressed by the high intellectual level of the conversations he has held in his two days of visiting.

[Begin Gorbachev recording in Russian with simultaneous translation into Spanish] I am really very admiring of the level of reflection that I have seen in this Chilean land. It seems that one of the most convincing premises is that this country—which has a bitter but immense historical experience, together with an immense potential—can expect to have much success in the fulfillment of its objectives.

Rector Lavados bid farewell to Gorbachev, who once again thanked the rector for the degree.

Addresses Seminar in Congress

PY0512192692 Santiago Radio Chilena Network in Spanish 1600 GMT 5 Dec 92

[Text] The seminar entitled: The Government for Human Development, which has been held since 3 December in the Congress building, was closed during a session attended by President Patricio Aylwin. The seminar was attended by delegates from 22 countries in the Americas and the Caribbean. Ministers, under secretaries, armed forces representatives, church officials, diplomats, union leaders, political leaders, congressmen, and regional authorities also attended the seminar.

The closing session also was attended by Nobel Peace Prize winner Mikhail Gorbachev, former president of the former USSR.

Among the international authorities who sponsored the event were (Fernando Zumbado), director for Latin America and the Caribbean of the UN Development Program—UNDP, and Inter-American Development Bank Chairman Enrique Iglesias.

Today's agenda began with a work session in which Fernando Zumbado [UNDP deputy administrator and regional director for Latin America and the Caribbean] delivered a speech. Presidential hopefuls Senators Eduardo Frei Ruiz Tagle and Anselmo Sule attended this session.

The closing session was held at the plenary session hall, which was totally packed. President Aylwin, the presidents of the two chambers of Congress, Fernando Zumbado, and Enrique Iglesias took seats at the hall's front.

Zumbado took the floor to talk about the seminar. He said many young leaders who attended the seminar depicted a crude picture of the situation in their respective countries. He added that some of them have been threatened, while others do not even know whether they will find a democratic government upon their return. He emphasized the form in which Chile has advanced toward democracy, noting that it was an example to the world.

Former Soviet leader Mikhail Gorbachev, who received lengthy applause, then took the floor.

[Begin Gorbachev recording in Russian with superimposed translation into Spanish] Apparently, all government systems agree that mankind is at a transitional time in its development. I believe it is very important to verify this—and we have to do it—because understanding the phase at which the world community is in now can give us the possibility of continuing to move forward in our analysis, our reflection, and our search for new policies. [end recording]

A simultaneous translation of the speech was provided to all those attending the seminar.

The session ended with a speech by Enrique Iglesias, who analyzed all the decisions made during the seminar, making reference to socioeconomic experiences in Latin America, the Caribbean, and other continents.

Senate President Gabriel Valdes, the host, bid farewell to the delegates.

Both Aylwin and Gorbachev were given lengthy applause.

Economy Minister on NAFTA, Asian Tour

PY0612210892 Santiago LA TERCERA DE LA HORA in Spanish 21 Nov 92 p 21

[All quotation marks as published]

[Text] Economy Minister Jorge Marshall has said: "The United States, especially the entrepreneurial circles, recognize the soundness of the Chilean economy."

He added that this opinion is shared by the members of President-elect Bill Clinton's economic teams, who have great confidence that the Clinton administration will promote trade with Latin America."

As for the signing of a free trade agreement by Chile and the United States, after the recent remarks by Clinton—who said he expects to strengthen commercial ties with our country—Marshall said: "The issues that are now under study do not deal with the promotion of economic relations between the United States and Latin America, or with the signing of NAFTA [North American Free Trade Agreement] (with Mexico and Canada)—which might then be followed by a bilateral free trade treaty with Chile."

On the possible implementation of the "fast-track" [preceding expression in English] approach, the minister emphasized that "it is clear that the agenda established for the negotiations will be complied with but the pace and deadlines have not been set yet." He added: "I believe that at this point it is not advisable to speculate on pace and deadlines. Furthermore, there are stages that must be gone through and there is no point in hastening the process because everything will be resolved in the coming weeks in keeping with the established agenda."

Marshall explained that in order to further trade with Asia, it is necessary to establish closer contacts with businessmen of Asian-Pacific countries in order to build up stronger commercial ties." The minister accompanied government officials and businessmen during the first stage of their lengthy tour through several Asian countries.

He stated that "a very important aspect is the interest that Asian countries have in strengthening their relations with Chile, mainly because of Chile's ties with the rest of Latin America and the United States."

He said that concrete contacts with businessmen are among the results of the trip. He added that in Malaysia the Chilean business delegation made some 120 contacts, 40 of which may yield some deals, while out of 60 contacts the businessmen made in the China [not further identified], half also could lead to concrete deals.

The minister announced that a delegation of representatives from approximately 20 Chinese firms will visit Chile to study the possibility of making investments or setting up joint ventures in Chile.

President's Attitude Toward PRC, Taiwan Criticized

PY0512135892 Santiago EL MERCURIO in Spanish 28 Nov 92 p C3

[Article by Osvaldo Diaz Tapia from Arica]

[Text] National Renewal Party Senator Julio Lagos has criticized the remarks that Chilean President Patricio Aylwin Azocar made before leaving the PRC, saying "he has cast a cloud of distrust and concern over the projects that Taiwan could implement in Chile."

The senator returned from a trip he made to Taiwan at the invitation of that country's government and stated that the Chilean president has given priority to relations with communist China, forgetting that Taiwan province is Chile's best commercial partner.

He added that although the president's trip to communist China may be important for future trade, right now relations with Taiwan are more important for the First Region.

"The president of the nation himself issued instructions to the management of the free zone and other government officials to promote the Chacalluta Industrial Complex in Taiwan. I met with the economy minister and the deputy foreign minister of Taiwan, and this project has a good chance to succeed, provided we can clear certain obstacles for those investors," Lagos said.

Commander Denies Agreement on Military Organic Law

PY0512132892 Santiago Radio Chilena Network in Spanish 1000 GMT 5 Dec 92

[Text] Air Force Commander in Chief General Ramon Vega has denied that the national defense branches have reached an agreement on the modification of the Armed Forces organic law.

In response to questions from journalists, Gen. Vega clarified some recent press reports that published his opinions on the subject.

[Begin Vega recording] I was asked whether there was an agreement within the Armed Forces. I replied that no agreement has been arranged, but there is a consensus because the law affects the Armed Forces' hierarchy and normal functioning. Consequently, the problem affects the entire area, and I believe there should be a consensus on the subject, from a general viewpoint. There must be, however, tactical differences, because the defense institutions follow different doctrines. Therefore, there can be differences on the level of details, but I believe there is a consensus from a general viewpoint. [end recording]

Gen. Vega emphasized that Congress is studying the amendments to this law. The time will come when opinions will be requested, Gen. Vega said, adding that there have been no delays in this regard.

Asked about the controversy as to whether civil or military courts should hear human rights violations cases, Vega replied that this is a technical matter.

The Air Force commander made these statements after meeting with the president, to whom he introduced part of the Air Force contingent that fulfilled a United Nations mission in Kuwait for a year and a half.

Gen. Vega reported that he invited the president to attend the upcoming promotion ceremony at the Air Force War Academy.

Gen. Vega said that 1992 was a good year for everyone, emphasizing that the situation in the country is normal and developing in a spectacular fashion.

Colombia

Radar Systems at Various Airports Destroyed

PA0412134292 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1303 GMT 4 Dec 92

[Report by Manuel Antonio Salazar Restrepo from El Dorado International Airport in Santa Fe de Bogota—live]

[Text] The status of the Colombian Civil Aeronautics radio equipment throughout the country following several attacks is as follows:

The Rio Negro visual omni-range beacon [VOR] located on Gordo Hill, the instrument landing system [ILS], and the radio beacon located in Abejorral, have been damaged. According to Civil Aeronautics spokespersons, this damage can be repaired quickly.

The VOR at the Mata de Cana Airport, two VOR's at the Buenaventura Airport, the VOR at the Cucuta Airport, and the Saravena Airport radio beacon have been destroyed. Civil Aeronautics has ordered visual flight operations to begin at these airports if the weather permits. If visual operation is not possible, operations will be suspended. The Civil Aeronautics authorities have also reported that at this moment it has no spare VOR, because the spare was destroyed by the guerrillas on the morning of 4 December on Gordo Hill. At this moment the only VOR's in operation are the ones in Santa Fe de Bogota, Barranquilla, and other airports in the country.

An emergency meeting is being held by the Civil Aeronautics authorities to evaluate the damage. Pilots and airline representatives are attending the meeting. Jose Joaquin Palacios, Civil Aeronautics Administrative Department director, has announced that a communique on the serious attacks on airport equipment throughout the country will be issued shortly.

[Santa Fe de Bogota Emisoras Caracol Network in Spanish at 1200 GMT on 4 Dec 92 adds: "The transmitters of the Radio Cadena Nacional [RNC] radio network were totally destroyed by the terrorist attack carried out by guerrillas on the road between Bucaramanga and Cucuta.

["RCN technicians are there to evaluate the damages caused by the explosion of four high-powered bombs in Cerro San Jose.

["Three radio stations based in the capital of Santander Department and which form part of the RCN network are off the air at this hour."]

Military Discover ELN 'Black December' Plan

PA0512005292 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 4 Dec 92

[Text] The Colombian military forces have been placed on first degree troop confinement to quarters after a terrorist plan called Black December was discovered. The plan was going to be carried out by the Army of National Liberation [ELN] in Santa Fe de Bogota and other cities of Cundinamarca Department. Defense Minister Rafael Pardo blamed drug traffickers and the guerrillas for the escalation of terrorist actions. Here is a report by Miriam Ortiz:

[Begin recording] [Ortiz] During the commemoration of Infantry Day, Defense Minister Pardo condemned the alliance between the guerrillas and drug traffickers in staging the terrorist actions within the last few hours, especially in the country's airports. Do you think the attacks on the night of 3 December are in retaliation for the arrest of this man [ELN leader Francisco Galan]?

[Pardo] I think several things are involved. Subversives are not the only ones involved. Drug trafficking interests are also involved in the attacks on the night of 3 December, particularly the attacks on air navigation aids in Medellin.

[Ortiz] The defense minister also referred to the arrest of ELN leader Francisco Galan, indicating that this again shows the importance of citizen cooperation with authorities.

[Pardo] This is a victory for society because this individual was arrested based on information provided by the people. I think this shows once again the Colombian people do not want violence, subversion, or terrorism. They are willing to cooperate with the authorities by every possible means and to contribute so that these people who have caused so much harm to the country will be placed behind bars and tried for their crimes.

[Ortiz] Although the site where Galan will be held has yet to be decided, the defense minister said he agrees with the Prosecutor General's Office plan to transfer Galan somewhere else.

[Pardo] He should be held at a site different from where he was arrested to provide greater security for the proceedings, the judges, and the prosecutors.

[Ortiz] It has been learned unofficially that he will be held either in a garrison in Medellin or in the country's capital. [end recording]

Communique Condemning Terrorist Attack Issued

PA0412161792 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0130 GMT 4 Dec 92

[Report by special correspondents Yamid Amat, William Parra, and Pedro Tibocha from Argentina]

[Text] President Cesar Gaviria condemned and deeply deplored the terrorist attack perpetrated in Medellin on 2 December. Gaviria issued a communique from Buenos Aires saying that none of the situations the narcoterrorists used several years ago as pretexts for planting bombs now exists in Colombia.

[Begin Gaviria recording] The criminal drug trafficking organizations have again resorted to terrorism and collective murder to pressure and intimidate society. None of the incorrect pretexts that drug traffickers used several years ago to try to justify these types of barbaric, terrorist actions exist in Colombian society at this time. The institutions in charge of the administration of justice have adequate mechanisms so anyone who so desires can surrender to Colombian magistrates, have a fair trial, and serve their sentence at a local prison. The authorities will apply the full force of the law. [end recording]

In the same statement, President Gaviria asked society to support the authorities.

[Begin Gaviria recording] This barbaric action demands the people's support for those in charge of prosecuting criminals and preserving peace. [end recording]

In a news conference held this afternoon, the president referred to the approval of the state of exception in Colombia by the first commission of the Chamber of Representatives and the Senate. He said there will be no abuses.

[Begin Gaviria recording] We are approving a state of exception law to handle the worst conceivable situations. Not for the current circumstances, nor for those that the country has usually experienced, but for the most extreme situations, including war. [end recording]

Gaviria will conclude his 24-hour official visit to Buenos Aires at 0900 on 4 December. On 2 December he placed a flower wreath on Jose de San Martin's tomb. He then met with President Menem, with whom he signed several cultural agreements. Gaviria then visited the Supreme Court of Justice and LA NACION newspaper. He later met with members of the Argentine Foreign Policy Council. Tonight he will attend a banquet President Menem is hosting is his honor.

Gaviria Returns, Holds News Conference

PA0512135292 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 5 Dec 92

[Text] President Cesar Gaviria returned from Argentina after signing agreements on trade, the Andean Pact, and the Southern Cone Common Market. He immediately had to face the national terrorism situation. Here is a report by Raul Gutierrez on the news conference given by President Gaviria upon his return.

[Begin recording] [Gutierrez] President Gaviria referred to the arrest of Francisco Galan, one of the leaders of the Army of National Liberation [ELN].

[Gaviria] I am sure the attorney general and the regional jurisdiction, previously known as the public order jurisdiction, will be capable of investigating and judging these criminals who must be punished according to Colombian laws.

[Gutierrez] Regarding the attacks on four airports, Gaviria said the Medellin cartel is responsible for the attack in Rio Negro. He also said there will be no indemnification for victims of the 3 December car bomb explosion.

[Gaviria] The president of the Republic is in favor of supporting victims of narcoterrorism, but not through indemnification. The Colombian state and society cannot pay or assume all the costs of the enormous damage caused by narcoterrorism or guerrilla terrorism.

[Gutierrez] Gaviria announced that fuel prices will be increased after evaluating production costs. He also mentioned the possibility of implementing fuel rationing.

[Gaviria] Right now I can neither confirm nor rule out the possibility of fuel rationing. The recent fuel shortage in Medellin shows that the attacks from the National Guerrilla Coordinating Board, particularly from the ELN, against the country's oil facilities, oil pipelines, and multipurpose pipelines are seriously affecting the Colombian Petroleum Enterprise's finances.

[Gutierrez] According to the president, cabinet changes are not imminent.

[Gaviria] The president is not planning to change his cabinet in December. I have neither ratified nor removed any minister. The fact that a minister is in the cabinet means he has the president's support.

[Gutierrez] Many things have been clarified with President Gaviria's return to the country. A resolution of the cabinet crisis or ministerial changes could be postponed until February or March of 1993. The possibility of rationing fuel has not been ruled out. There could be an increase in fuel prices in the immediate future. New measures will be adopted to counter narcoterrorists and drug traffickers within the framework of the state of internal disturbance. [end recording]

Gaviria Injures Knee Playing Tennis, Has Surgery

PA0612163492 Madrid EFE in Spanish 1543 GMT 6 Dec 92

[Text] Santa Fe de Bogota, 6 Dec (EFE)—President Cesar Gaviria was taken to a hospital on the afternoon of 5 December after he injured one of his knees while playing tennis, it was reported today in a communique signed by his doctors.

Gaviria, who returned on 3 December from a three-day visit to Argentina, injured his left knee and was quickly taken to the Santa Fe de Bogota clinic in the city's northern area, Dr. Eduardo Vallejo Mejia reported.

After a preliminary examination, the Colombian president was transferred to the San Ignacio Hospital in the city center, where he spent the night and underwent an arthroscopic examination.

The doctor said the examination revealed "an injury in the inner cross ligament and the outside of the meniscus." He then stated that "there will be an arthroscopic examination of the knee and then the correct surgical procedure will be determined." [Santa Fe de Bogota TV in Spanish at 1700 GMT on 6 December in a similar report adds: "President Cesar Gaviria underwent emergency knee surgery on 6 December after suffering a torn ligament while playing tennis." The same report also adds: "The head of state was released at noon and is now recovering at Narino Palace."]

* Exporters Want Greater Voice in Trade Policy

93SM0059 Santa Fe de Bogota SEMANA in Spanish 3 Nov 92 pp 54-55

[Text] There is no arena anywhere in the world in which one can measure the strength of the private and state sectors better than at trade-union gatherings. It was this pulse precisely that was taken at the annual congress of the National Association of Exporters (Analdex), which ended in Cartagena last weekend. A typically trade-unionist address Analdex President Jorge Ramirez Ocampo, and a notably ministerial speech by Foreign Trade Minister Juan Manuel Santos, formed the focus of the participants' attention. Each of the speakers, in his own way, defended his viewpoint.

The address by the minister of foreign trade abounded in the well-known arguments about the triumphs of the government's economic policies. However, the portion in which he described 1993 as the best international situation in history for the country's exporters stood out in particular. In the view of some people, Santos' statement was exaggerated, while others saw it as necessarily optimistic (an approach which, in the final analysis, would be natural for one occupying the post he does). Still others viewed it as a product more of emotional conviction than an interpretation of reality. However, the minister stated bluntly that "at the beginning of the coming year, Colombia will be the developing country in the best position commercially in the world—hear me well—in the world. It falls to you, the exporters, to take advantage of this situation."

The minister based this venturesome assertion on a series of facts. One is that Colombia was the first nation to receive preferential treatment by the United States as a result of the Andean Initiative, something neither Ecuador nor Peru has yet achieved. He also mentioned the process of integration with Venezuela, which he described as "the most profound such process between any two countries in this hemisphere." He emphasized the free-trade zone extended to Ecuador and Bolivia since last September, and the first steps taken last week toward eliminating the export barriers between Colombia and Peru.

Going yet a little further, he announced that the normative portions of the free-trade agreements being negotiated with Mexico and Chile are ready for signing, and this may occur before the end of this year. In this connection, the Colombian market could expand to more than 150 million consumers, representing almost a half of the Latin American domestic product. Santos made use of these references and the negotiations he has promoted to encourage domestic exports to foreign countries to defend his administration in his year at the ministry. At the same time, he placed the opportunity to take advantage of the agreements achieved by the authorities in the hands of Colombian businessmen.

The address delivered by Ramirez Ocampo, on the other hand, was critical, and much less optimistic than the official attitude, because in the final analysis, the people he represents have personally experienced the advances and retreats in the difficult administration of the domestic and foreign markets. In connection with the domestic situation specifically, the Analdex president voiced harsh criticism of the increase in operational expenditures included in the 1993 budget. He complained that "political pressures are transforming the national budget into a Christmas tree hung with gifts at the expense of consistency in the economic policy." In his view, the new tax reform recently approved will soon be devoured by the insatiable jaws of expenditure.

During the congress, a report drafted by the Fedesarrollo [Federation for Development] on consensus-building and industrial policy was presented. The purpose of this study was precisely to support the central theme of the trade-union congress. The exporters believe they are entitled to greater advantages when the government determines its policies, as well as an opportunity to participate more fully when it comes to the adoption of economic measures. In fact, the Fedesarrollo report says that the government has now abandoned the "participatory democracy" it demanded earlier in order to achieve the agreements the National Constituent Assembly produced. The monograph comes to the conclusion that it is necessary to put an end, once and for all, to all of the kinds of dictatorship imposed as a mechanism for economic leadership. And it even asks that the so-called "consensus-building ministers" (Ministries of Foreign

Trade, Agriculture, Development, and Mines) be provided with better mechanisms for negotiation. Having set forth these premises, Ramirez Ocampo insistently defended the role of consensus-building in an era of openness, and he explained that this does not mean "co-government." He also pointed out, in order to avoid any misinterpretation, that this does not mean an effort to return to state paternalism. He did this because it appears that the lack of dialogue between the private and government sectors is basically due to prejudices without any real foundation.

The fact is that in the midst of the usual discussions typical of this kind of trade-union gathering, and in response to the attacks made on the economic policy, the government has pointed out that things could deteriorate. Everything depends on the trade ministry, while, the world is facing one of the most prolonged recessions in the last 50 years, and in addition, Colombia has had to deal with rationing, guerrilla harassment, the lack of security, and the declining competitive capacity of the peso as a result of revaluation. While all this is happening, it is plain that in the first seven months of the year, exports dropped only 1.5 percent in value, while they increased 17.2 percent in volume.

However, the exporters are not sharing this same taste of victory. They are not so certain, for example, that traditional exports have much weight in terms of government policy. They have even gone so far as to wonder if, because of improper handling of the exchange rate, Colombia might not suddenly be headed down the path toward a major trade deficit. Or whether we are in danger of injecting into the economy the dangerous virus of the Dutch disease (an economy based on speculation). As at all such events, where there were some all-encompassing speeches and some lengthy discussions, only time will prove one or the other, or (why not?) both, to be right. While consensus is being sought, the Casanare oil discoveries have lightened the gray atmosphere a little.

Paraguay

Government, Mexico Sign Cooperation Agreement

PY0412232192 Asuncion PATRIA in Spanish 4 Dec 92 p 12

[Basic technical and scientific cooperation agreement signed by Mexico and Paraguay on 3 December in Asuncion]

[Text] The Government of the Republic of Paraguay and the Government of the United Mexican States, which will be called "the Parties," stimulated by the idea of strengthening the traditional friendship between the two peoples, and considering the interest of the two Parties in promoting bilateral technical and scientific cooperation for mutual benefit to contribute to the social and economic development of their respective countries have agreed on the following:

Article I—The Parties commit themselves to promoting technical and scientific cooperation, for which they will draw up two-year programs made up of specific projects in the areas of mutual interest in accordance with their respective development policies.

Article II—The Parties will coordinate and sponsor all the technical and scientific cooperation made under the different agreements or specific understandings signed between the organizations or institutions of the two countries for strengthening cooperation.

Article III—The technical, and scientific cooperation between the Parties will be the following:

A) Exchange of specialists.

B) Exchange of documents and information.

C) Training of manpower.

D) Exchange of material and equipment.

E) Joint projects for scientific and technological development.

F) Organization of seminars and conferences.

G) Development of joint projects, market studies, and "joint ventures" with promotion for the participation of private organizations as much as possible.

H) Any other form of technical and scientific cooperation agreed by the two Parties.

Article IV—In order to fulfill this agreement's objectives, a Paraguayan-Mexican Joint Commission for Technical and Scientific Cooperation—which will be known as "the Commission"—will be created and made up of representatives appointed by each Party.

The Commission will meet every two years in Paraguay and Mexico, alternately, at the site and date established by diplomatic means. The two Parties also will be able to call on common agreement for special meetings for the study of projects or specific issues when necessary.

The Commission will supervise the effective implementation of this agreement, prepare the two-year program of activities, evaluate the program periodically, and make recommendations to the Parties.

Article V—The organization in charge of coordinating the actions of cooperation related to this agreement for the Paraguayan Government will be the Foreign Ministry, and for Mexico it will be the Foreign Relations Secretariat.

Article VI—The organizations or institutions of the two countries responsible for the implementation of the interinstitutional agreements or understandings established in Article II of this agreement must report to the Joint Commission on the results of their work and make proposals for future development of the cooperation.

Article VII—The cost and expenses of international transportation for sending personnel from one territory of the Parties to the other will be paid by the Party sending it.

The housing, food, local transportation, and necessary expenses for implementing specific projects will be paid by the receiving country unless the Parties agree on a different form for special cases.

The Parties will make sure the personnel taking part in the actions established in this agreement have life insurance against accidents during their activities.

The conditions for financing and other issues related to joint studies and projects established in Article III will be agreed upon for each concrete case by applying whenever possible the guidelines of the preceding paragraphs of this article.

Article VIII—The Parties will be able to request in mutual agreement the financing and cooperation of international, regional, or intergovernmental organizations or of third countries for the implementation of programs and projects resulting from the cooperation established in Article II of this agreement.

Article IX—Each Party will:

A) Facilitate the entrance and departure from its territory, according to its laws and rules, of experts and members of his family, as well as the equipment used in projects and programs to be carried out within the framework of this agreement and its complementary accords.

B) Exempt the experts from the other Party from paying customs taxes as well as other similar taxes on their personal property for domestic use as long as they are imported within the first six months of their arrival in the receiving country and their period of residence will last longer than a year. Such exemption is not applicable to motorized vehicles.

C) Exempt from all customs taxes and other similar taxes imports and exports from one country to the other of equipment and material necessary for the implementation of this agreement and its complementary accords with the condition of reexporting the equipment and material by the end of its lifespan or transferring it to the receiving party according its own laws and rules.

Article X—The Party that receives the experts will assign the auxiliary personnel necessary for the program's efficient execution. The experts will supply the auxiliary personnel in the receiving country with the necessary technical information regarding the methods and practices that must be used in the execution of the respective programs, as well as the principles on which they are founded.

Article XI—The personnel sent to one of the Parties by the other will be subject in his workplace to the national laws and legal dispositions of the receiving country. The personnel will not be allowed to carry out any activity not in keeping with their mission nor receive any payment besides that which has been agreed upon without previous authorization by the Parties.

The research programs will be adjusted to what is established by the laws and rules of the country in which they are carried out.

Article XII—Regarding the exchange of information and its dissemination, they must respect the laws and dispositions in force in the two countries, as well as the respective international commitments and rights and obligations agreed to with third parties. When some information is supplied by one of the Parties, it may establish restrictions on its dissemination on the other, if it considers it necessary.

Article XIII—This agreement will come into effect whenever the two Parties notify each other, through diplomatic means, of the compliance with the requirements demanded by their national laws to its effect.

This agreement will be valid for five years and will be considered tacitly renewed for one-year periods.

Article XIV—Any of the Parties may consider this agreement as terminated at any moment, through written notification addressed to the other through diplomatic means with six months of anticipation.

The termination of this agreement will not affect the validity or duration of the specific activities that began and remain unfinished at the moment of canceling the agreement, unless the Parties agree to the opposite.

Article XV—The Parties will be entitled to review the dispositions of this agreement, and any modification or amendment that may be decided upon will be implemented according to the dispositions of Article XIII.

Written in Asuncion, Paraguay, on 3 December 1992, in two original identical copies in the Spanish language.

In the name of the Government of the Republic of Paraguay, Alexis Frutos Vaesken, foreign minister. In the name of the Government of Mexico, Fernando Solana, Foreign Relations secretary.

Sign Joint Statement

PY0412234092 Asuncion PATRIA in Spanish 4 Dec 92 p 13

[Joint statement signed by Paraguayan President Andres Rodriguez and Mexican President Carlos Salinas de Gortari on 3 December in Asuncion]

[Text] At the invitation of Army General Andres Rodriguez, president of the Republic of Paraguay, Mexican President Carlos Salinas de Gortari paid an official visit to Paraguay on 2 and 3 December.

The Mexican president was accompanied by an official entourage made up of the foreign affairs minister and other high-ranking officials.

Presidents Salinas de Gortari and Rodriguez held private talks and working meetings in which they analyzed the multiple aspects of relations between their two countries. They exchanged views on international, regional, and world matters of common interest in which they agreed that Mexico and Paraguay should intensify their efforts to find new formulas and opportunities for promoting cooperation between the two nations. In this regard, they decided:

To emphasize the importance of self-determination as an essential factor for consolidating democracy in the world and for promoting sustained development based on freedom, peace, and social justice. In this regard, they underlined the need to promote full respect for international law within the context of the new world situation.

As for the current Latin American situation, to acknowledge the importance of the efforts done by the countries of the region to promote trade and development and to strengthen the Latin American integration processes. They particularly referred to the conclusions of the second Ibero-American summit held in Madrid, and they expressed their satisfaction with the progress attained in education programs and the creation of the Indigenous Fund.

Regarding the situation in the hemisphere, to point out the need for regional organizations, especially the OAS, to be willing to respond to the social and economic problems currently affecting the region's peoples such as extreme poverty, drug trafficking, and the protection and preservation of the environment, among others.

To reassert their support for the actions of the Rio Group as a mechanism of political consensus and consultation, and to stress that this forum has demonstrated being a valuable means for dialogue with other international groups. To also express their satisfaction with the decisions adopted during the presidential summit held on 1 and 2 December in Buenos Aires.

To stress the importance that the decisions adopted in the seventh meeting of the ALADI [Latin American Integration Association] Council of Ministers, held in Buenos Aires on 30 November, have for the regional integration process. This meeting decided to create an ad-hoc group of government representatives that will analyze the 1980 Montevideo Treaty in order to evaluate the effectiveness of its performance and, if necessary, propose guidelines to improve it.

To express their confidence that multilateral commercial negotiations within GATT will be quickly concluded to help improve the conditions of access to industrialized countries' markets and increase international trade expansion possibilities.

To stress their profound satisfaction with the highly positive climate of relations between the two countries, based on historical, political, and cultural ties that exist between the Mexican and Paraguayan peoples.

To express their governments' concerns over the progressive deterioration of the environment and express their intention to support bilateral environmental protection programs within the framework of the provisions established at the UN Conference on Environment and Development held in Rio de Janeiro in June.

To emphasize the importance of trade between businessmen from the two countries to strengthen and supplement the different aspects of economic relations with the relevant role the private sector can play in this area. To urge this sector to strengthen and multiply trade promotion programs, investments, and the strengthening of their institutional ties.

To promote reciprocal investments to boost economic prosperity in both states, and thus to begin an analysis of a possible agreement on the matter in order to create favorable conditions for said investments. Likewise, to consider the study of a draft agreement to prevent double taxation and tax evasion.

Finally, to express their satisfaction with the conclusion of the following agreements that will help tighten relations even more between the two nations:

1. Basic technical and scientific cooperation agreement;

2. Cultural cooperation agreement;

3. Cooperation agreement between the National Foreign Trade Bank, S.N.C. [expansion unknown] of Mexico, and the General Board of Promoting Exports and Investments of the Republic of Paraguay.

4. Agreement for database exchange between the National Foreign Trade Bank, S.N.C. of Mexico, and the Industry and Commerce Ministry of the Republic of Paraguay; and

5. Technical and commercial cooperation agreement between the National Foreign Trade Bank, S.N.C. of Mexico, and the National Development Bank of the Republic of Paraguay.

The president of the United Mexican States expressed his profound and sincere gratitude for the warm hospitality, affection, and multiple signs of courtesy extended by the Paraguayan Government and people during his stay in the country.

Asuncion, 3 December 1992.

Andres Rodriguez, president of the Republic of Paraguay.

Carlos Salinas de Gortari, president of the United Mexican States.

Commentary Views Joint Statement

PY0412170992 Asuncion ULTIMA HORA in Spanish 3 Dec 92 pp 10, 11

[Text] Paraguayan President Andres Rodriguez and his Mexican counterpart Carlos Salinas de Gortari have signed a joint statement in which they decide to intensify their efforts to find new formulas and new opportunities to promote cooperation between the two countries.

The joint statement was signed at the Lopez Palace this morning. In it, the two presidents note the need for regional organs, especially the Organization of American States (OAS), to resolve socioeconomic problems that currently affect the region, like extreme poverty, drug trafficking, and preservation of the environment.

Within this context, the two presidents emphasize the importance of self-determination as an essential factor for consolidating democracy in the world, and for promoting sustained development based on freedom, peace, and social justice. They underline the need to promote full respect for international law, within the context of a new world situation.

Concerning the current situation in Latin America, the two presidents note that major efforts in the region to promote trade, comprehensive development, and the integration processes in Latin America. The two presidents make special reference to the second Ibero American Summit in Madrid, expressing their satisfaction over the progress made in educational programs and over the creation of the Indigenous People Fund.

The two presidents also express their hope that the multilateral GATT talks will be rapidly concluded, seeking to improve the conditions for accessing to the markets of industrialized countries, and for increasing the possibilities of expanding world trade.

The two presidents emphasize the importance of the exchange between entrepreneurs of the two countries and the promotion of reciprocal investments, fostering the economic prosperity of the two nations. They will study the possibility of an agreement on the subject in order to create favorable conditions for investment. They will also study ways to prevent double taxation and tax evasion.

The Paraguayan and Mexican presidents signed five cooperation agreements that will promote ties between the two nations. The agreements deal with cultural, technical and scientific cooperation, and with cooperation between the Paraguayan General Directorate of Promotion of Exports and Investment and Mexico' National Foreign Trade Bank.

The other agreements deal with the exchange of data bases between the Paraguayan Industry and Commerce Ministry and Mexico's National Foreign Trade Bank, and with financial, technical and commercial cooperation between the Paraguayan Development Bank and Mexico's National Foreign Trade Bank.

Foreign Minister, President on Rio Group Summit

PY0412233592 Asuncion ULTIMA HORA in Spanish 2 Dec 92 p 10

[Report by "special correspondents" from Buenos Aires]

[Text] Paraguayan Foreign Minister Alexis Frutos Vaesken was one of the main protagonists in the Rio Group meeting by acting—together with Uruguayan Foreign Minister Gros Espiell—as the meeting's spokesman and reporting on everything that was occurring. Commenting on the meeting, he said: "This summit has strengthened Paraguay because all the items contained in the final report clearly define the Rio Group's priorities and establish how to tackle them. We are in the middle of a political transition, and bearing that in mind we can say that we are leaving more than satisfied with what was brought up at this meeting."

The Paraguayan foreign minister added: "The need to defend the democratic process is always being mentioned in the documents, but now ways and means will be studied to prevent attacks against it and—should such attacks happen—to help the countries affected by them to return to normalcy." Another positive aspect of the summit was the study of the different situations prevailing in the countries that belong to the Rio Group and in others that do not belong yet but may join it. "Widespread poverty is a problem that must be resolved, and the way to do it is through commercial agreements. These issues were discussed at the summit and the results will be seen soon," Frutos Vaesken stressed.

Finally, the foreign minister stated that President Andres Rodriguez clearly described Paraguay's social and political status quo and this will most probably prompt reactions in other countries. "We have been pointed out as an example of democratic transition, and that is very important for us because we want to improve our standing among nations," the minister said.

Paraguayan President Andres Rodriguez was interviewed by the Argentine news media and stated that Paraguay is relentlessly moving toward a real democracy. "My government has done a great deal to reestablish a system that had been lost through many years of dictatorship. Only now, with barely eight months to go before the end of my term in office, can I start saying: Mission accomplished. There are still things that must be resolved but I am sure that we will resolve them in the time we have left," Rodriguez stressed. Asked about Paraguay's political status quo, Rodriguez said it was normal and everything was going as planned. "We soon will have the final party primaries and afterward we will start working on the general elections scheduled for 9 May 1993," the chief of state said. Antonio Salum-Flecha, another member of the Paraguayan delegation to the Rio Group summit, stated: "Many proposals to make changes or to deal with specific problems frequently are overcome by reality. Therefore, one must work on practical approaches, as has been done at this summit. All the

issues discussed were a reflection of what is going on in Latin America and provided a basis for proposals to overcome the crises."

Argana Confirms Meeting President Rodriguez

PY0412200092 Asuncion ULTIMA HORA in Spanish 3 Dec 92 p 3

[Text] Presidential pre-candidate Luis Maria Argana this morning confirmed meeting with President Andres Rodriguez "like in the old times," and talking about subjects that have to do with "the future of the country and the Colorado Party, and about the need to play a clear game in the internal elections." In remarks to Radio Cardinal, he mentioned the subjects he discussed with President Rodriguez on 27 November, but declined to mention the place of the meeting because it was not "the essential point."

"We talked about the great subjects related to the future of the country and the Colorado Party, and, obviously, about the need to play a clean game in the internal elections, and that the result will be as noble as satisfactory so that it can be accepted by all to maintain the Colorado Party's unity for the 9 May general elections," Argana said.

When asked about the possible basis for that unity, Argana said, "unity, in the sense that we all will vote for the Colorado Party."

He also admitted that he asked Rodriguez to take a sidestep in the internal elections. Referring to what Rodriguez said on the matter, Argana said: "He practically agrees with that idea, but thinks that he has the right to have his own preference, his own candidate, and to work for that candidate."

When asked whether they reached a conclusion, he said no, but explained that "obviously by the tone of the conversation, by the cordial atmosphere that prevailed, by the friendliness with which the issues were treated, I believe the doors were left open for a new meeting at any moment."

Asked about a possible alliance, he said his answer is "a relative no." He then said he is willing to talk with any Colorado Party pre-candidate.

When asked whether there was some irritation during the conversation, Argana said: "The meeting was cordial, friendly, like in the good old times." He was told that when President Rodriguez once called a meeting at Government Palace, his movement released a communique stating that he [Rodriguez] was not "a valid interlocutor." Argana answered that it is not a matter of changing positions, but simply that "the situation and the subjects are different. That was a meeting to which Rodriguez invited all movements to the palace, and this was a personal call, hand to hand, from a friend to a friend, from a Colorado to another Colorado, to find a different solution. The other was from an authority to subordinates, but this was at the same level."

When asked whose initiative it was, Argana said: "The truth is that the initiative was not mine, but that does not mean that it was his, either. It was the initiative of a third person, a friendly party."

Communique Denies Split in Wasmosy-Seifart Ticket

PY0412205392 Asuncion ULTIMA HORA in Spanish 2 Dec 92 p 2

[Text] This morning the Wasmosy-Seifart Press and Propaganda Committee issued a communique in which it "categorically denies erroneous rumors that have been irresponsibly spread with the purpose of confusing Colorado Party followers, and the people in general, about a crisis within the movement's leadership."

The communique states that for the peace of mind of the majority of Colorado party members who support this presidential ticket "we hereby wish to report that Angel Roberto Seifart is an unalterable member of the Juan Carlos Wasmosy presidential ticket" that seeks to project the Colorado Party toward the full enforcement of democracy.

It adds that, "as they have been doing from the very beginning, they have been working jointly and with great determination to achieve the historic task of reasserting the democratic process and of definitely redirecting our country from totalitarianism and poverty."

The communique also deplores "the relapse of some fellow party members who, lacking arguments and popular support, incorrectly believe that by spreading false rumors and cheap sensationalism, they may undermine or impede the victory of the Wasmosy-Seifart ticket."

The communique concludes: "There are nor will there be any fissures in the ticket because our candidates are aware that only through democracy will we be able to make ours a great nation and fully uphold the civilian and political rights of all Paraguayans."

New Appointments in Army Announced

PY0512222592 Asuncion ULTIMA HORA in Spanish 1 Dec 92 p 14

[Summary] The government has appointed Colonel Augusto Nunez Gonzalez as the new chief of staff of the Logistical Command, replacing Brigadier General Osvaldo Cruz Acevedo; Francisco Abelardo Vera Alarcon was appointed Army chief of staff, replacing Brigadier General Dario Antonio Franco Flores; Colonel Arsenio Victoriano Caballero was appointed chief of staff of the 3d Infantry Division, replacing Colonel Luis Alcibiades Ferreira; Colonel Justo Pastor Fretes was appointed new chief of staff of the Artillery Command, replacing Colonel Augusto Nunez Gonzalez; Colonel Pastor Vicente Cantero was appointed chief of staff of

the 3d Cavalry Division, replacing Colonel Anibal Daniel Cardenas, who was appointed commander of the Army Noncommissioned Officers School.

New Armored Cavalry Regiment Commander Named

PY0512223592 Asuncion PATRIA in Spanish 5 Dec 92 p 1

[Summary] First Corps Commander General Lino Cesar Oviedo has installed Colonel Antonio Dejesus Mendieta as the new commander of the 2d Colonel Felipe Toledo Armored Cavalry Regiment, replacing Colonel Jose Segovia Boltes.

Peru

'Terrorists' Briefly Occupy Lima Radio Station

PA0512005592 Madrid EFE in Spanish 0016 GMT 5 Dec 92

[Excerpt] Lima, 4 Dec (EFE)—Members of the pro-Che Guevara Tupac Amaru Revolutonary Movement (MRTA) on 4 December attacked two Lima radio stations and broadcast subversive proclamations, according to Peruvian police sources.

The terrorists attacked the "Santa Rosa" radio station in downtown Lima and "Callao" in the neighboring port of El Callao, and in both cases, forced operators to broadcast taped messages and subversive slogans, as well as attacks on the government of President Alberto Fujimori.

According to the sources, three "Tupacamarus" entered the "Santa Rosa" station under the pretext of inquiring about the publicity rates, and once inside they took out weapons and threatened the employees. [AFP in Spanish at 2031 GMT on 4 December in a similar report adds: "The station personnel did not provide exact details of the content of the message. Slogans were also painted on the station's walls. The guerrillas, who did not cause any injuries or damage, quickly fled the station."]

After achieving their goal the terrorists withdrew, leaving a package which they said contained explosives, something that was later denied by police experts. [passage omitted]

Coupist Receives Asylum From Argentine Embassy

PA0512015992 Lima Global de Television Network in Spanish 0100 GMT 5 Dec 92

[Text] Jaime Salinas Lopez Torres [son of General Jaime Salinas Sedo, who is under arrest for involvement in the 13 November coup attempt] has sought refuge at the Argentine Embassy, which granted him diplomatic asylum. The Foreign Ministry, which revealed this information, said that the Argentine Embassy has requested safe-conduct for the departure of Salinas Lopez Torres from the country.

Venezuelan Coup Attempt Leader Arrives in Lima

PA0412145992 Lima Global de Television Network in Spanish 0100 GMT 4 Dec 92

[Text] A group of 36 Venezuelan officers who were granted asylum in Peru arrived in Lima on the morning of 4 December from Iquitos. The Antonov Peruvian Air Force airplane landed on runway number 8 at approximately 0800. They immediately boarded a bus for an undisclosed location. General Francisco Visconti Osorio is among the officers. It was reported the other group of Venezuelan officers is still in Iquitos, where 16 of them will remain. The remaining 40 officers are reportedly going to return to their country in a few days.

Fujimori Praises Police in Counterterrorism Role

PA0712043192 Lima Panamericana Television Network in Spanish 0100 GMT 7 Dec 92

[Text] President Alberto Fujimori attended the ceremony commemorating the fourth anniversary of the Peruvian National Police. He was accompanied by several ministers as well as judicial, political, and military authorities.

Following a speech by Lieutenant General Victor Alba Placencia, the National Police general director, President Fujimori said in a brief speech that, thanks to the implementation of a new strategy against terrorism by his government, more than 2,000 rebels have been arrested, of which 70 are serving life sentences. Fujimori stressed that the moralization campaign will continue at all levels and expressed his confidence in the National Police to continue its successful work.

Finance Minister on Refinancing Foreign Debt

PA0412184392 Lima Global de Television Network in Spanish 0100 GMT 4 Dec 92

[Text] Economy Minister Carlos Bolona has announced that during his next tour to create a new support group for Peru, the foreign debt will be refinanced so the country will be eligible for credits.

[Begin recording] [Bolona] Once we get up to date in our payments and reach an agreement with commercial banks, we will be able to say that [words indistinct] will be complete. We will then implement the agreements reached during the process. [Unidentified reporter] What will the next steps be after updating our payments?

[Bolona] In December we must pay our overdue debt to the World Bank, which totals $900 million. In January we will cancel our overdue payments to the IMF for $900 million, which will be refinanced with the same bank. Then we will be eligible to receive credits from both

institutions. Our next step will be to enter the Paris Club to refinance a $7.5 million debt we have pending, which will be refinanced for 18 months. From there we will go to the Support Group, and then commercial banks in February. That is our schedule for the first quarter of 1993.

[Reporter] What will be the first country on your tour?

[Bolona] The tour should begin in late December or early January. Japan will definitely be one of the first countries. The United States and Japan, which are the leader and coleader of the Support Group, will be the first countries we visit.

[Reporter] Another subject raising concerns is the Christmas bonus for public employees. Will the government give a Christmas bonus this year? If so, how much will it be?

[Bolona] We are working on that. We will give government employees a Christmas bonus in December, obviously before 24 December. The overall amount will easily surpass 90 million soles. How much each sector will receive depends on particular laws and regulations in each institution. [end recording]

Yoshiyama Interviewed on CCD, Constitution

PA0612130892 Lima Global de Television Network in Spanish 0100 GMT 6 Dec 92

[Text] Jaime Yoshiyama, Change 90/New Majority Movement coalition leader, has invited all independent citizens to seek nomination as candidates for the Change 90/New Majority Movement coalition in the municipal elections. Yoshiyama said the coalition has already drafted plans for the new constitution as well as for the bylaws of the Democratic Constituent Congress [CCD]. Here is what Yoshiyama said:

[Begin recording] [Yoshiyama] The Change 90/New Majority coalition has almost completed a draft of the bylaws for CCD procedures. In our opinion, those bylaws will allow the CCD to work efficiently and expeditiously. We are not going to be making too many speeches; on the contrary, we are going to be in tune with the needs of the country.

[Unidentified reporter] Some say you are working on a draft for the new constitution. Is that true?

[Yoshiyama] It is true. As we promised in our campaign, we have a great responsibility because we are members of the ruling party; we are the ruling party. We have a great responsibility to the Peruvian people, and that is why we have said that on 30 December we are going to submit the new Peruvian constitution for their discussion and correction. A group of technicians are working very hard on that. The group is made up of lawyers, economists, engineers, and so on who will try to contribute all their experience. The best specialists, the best constitutionalists in the country will join this group.

[Reporter] Will the Change 90/New Majority Movement coalition participate in the municipal elections?

[Yoshiyama] Yes, we have also decided to nominate candidates in the country's most important provinces next week. I want to take this opportunity to invite all independent people, especially independent citizens, workers, and honest people who think they would make a good mayor, to sign up as nominees for candidates. Change 90/New Majority will support those candidates, because I believe the country needs new people. [end recording]

* Government Procurement of PRC Goods Questioned

93SM0070A Lima SI in Spanish 19 Oct 92 pp 12-13

[Unattributed article: "Chinese Gifts"]

[Text] The head of state, Alberto Fujimori, has retorted to those criticizing his support for engineer Jaime Yoshiyama's candidacy with the claim that he will be participating in the campaign just as President George Bush is in the U.S.

On Friday, 16 October, he declared that he would "intervene in the electoral campaign to back Yoshiyama."

Apart from obvious differences, because in the case of the United States the candidate is Bush himself, there are incidents that require a clear explanation from the government.

In the first place, the computers and sewing machines given away by engineer Fujimori on his tours are, for the most part, of Chinese manufacture There would be nothing odd about this if we were not aware that these goods had been purchased by the Peruvian Government directly, without a previous call for bids. If engineer Fujimori wishes to "intervene," he should do so with his own resources, and not with funds from the Budget of the Republic.

The direct purchases made by the Fujimori government from the People's Republic of China cost nearly $40 million. The former minister of the Presidency, Jorge Lau Kong has, as casually as a housewife at the market, purchased 2,500 computers worth $2 million, and 20,000 sewing machines at a cost of $2.5 million.

The list does not end here. As if that were not enough, it also includes theodolites worth $1.233 million. In addition, $4 million worth of medicines, and over $23 million worth of tractors, were purchased. Approximately $17 million was spent on the purchase of eight airplanes for the FAP [Peruvian Air Force].

No one would doubt the cabinet's integrity is self evident, but purchases of this magnitude, made without going through the bidding process, warrant at least more than a grumble.

To avoid such suspicions, there are bidding competitions, that is, a process giving several suppliers the option of offering their products. This makes competition possible. Ultimately, the supplier who is given the award or purchase option is the one who has offered the best product, in the shortest delivery time and, most important, at the lowest price.

Without bidding, it is quite likely that the terms of the sale are not the best. To avoid collusion between the buyer and seller, for several decades the annual budget laws have prohibited direct purchases without bidding when sums exceeding $100,000 are involved. The government has exceeded that limit by 400 times.

In countless speeches by its main spokesmen, the present regime has harshly criticized the previous government for abusing exemptions from bidding competitions. Nevertheless, obviously contradicting what it preaches, it has made purchases for no less than $40 million from China.

The worst of it is that a considerable number of these Chinese items have been distributed spontaneously at rallies organized by the chief of state. The government party's candidate, Jaime Yoshiyama, has attended several of them.

At this point, no one doubts that the New Majority campaign is a campaign involving millions. Without a law on parties in effect, as Fujimori proposed when he carried out the coup of 5 April, there is no legal means of demanding that the gentlemen in New Majority explain where they obtained the large sums spent on television advertising.

However, if many of these campaign gifts, such as the computers and sewing machines, were paid for with public funds, there are at least legal and ethical reasons requiring the OAS observers to ask the prime minister for explanations.

It is no secret to anyone that the attractive comptroller, Maria Herminia Drago, has not made any comment to the members of this government. To top it off, the previous minister of the Presidency, Jorge Lau Kong, resigned from his position cloaked in a veil of mystery.

Is it possible that he regretted having proposed the decree-laws authorizing these purchases? In any event, his liability is obvious, because most of the purchases were made by the Ministry of the Presidency during his administration.

The notorious case of the "donated clothing" from Japan (revealed by first lady Susana Higuchi), also distributed by Fujimori during the campaign, will surely be a minor topic at the future meetings of the CCD [Defense Consultative Council (of the OAS)] investigating commissions, compared with the probe of the "Chinese gifts" purchase.

In some of the decree-laws authorizing these purchases it is indicated that the purchases are to be paid for with funds accrued from the sale of public enterprises made by the erstwhile head of the Copri [Commission for Promotion of Private Investment]: Jaime Yoshiyama. As consolation for the ex-owners of gas stations, we might say that a few tractors and several airplanes were purchased with the funds from their sale.

It is difficult not to mention the silence of the government party press regarding these purchases made without bidding, particularly since we are living without congressional oversight. Let us take, for example, the case involving the purchase of $4 million worth of Chinese medicines. The complaints have been feeble. A few years ago, when a similar purchase was made from China, several newspapers and certain sectors of the National Industries Association (SNI) instigated a fierce campaign of condemnation. It eventually ended with the resignation of the head of the Peruvian Institute of Social Security (IPSS), Felipe Salaverry. Shortly after leaving the position, Salaverry was murdered by Shining Path.

The key question being asked by all the vendors in the world is what magic Confucius' descendants have for making sales worth $4 million. The answer has a name: Victor Joy Way. The former industry minister is a tiger in business deals. His relations with the Chinese transcend this government. During the late 1980s, the Chinese appointed him head of their commercial office in Peru.

Joy Way convinced the late Salaverry to purchase Chinese medicines from him. Within a short time, he almost closed a sale of 100 buses with crawler treads, of the same origin, to former Mayor Jorge del Castillo. [Mayor of Lima Ricardo] Belmont refused to hear of such a purchase, and the transaction was aborted.

Then, under the Change 90 government, Joy Way succeeded on two occasions in convincing Fujimori to visit the People's Republic of China. In 1991, Fujimori virtually escaped from Hong Kong with Joy Way to visit the Chinese free trade zone. During February 1992, as if to pave the way for these fabulous purchases, Joy Way obtained a donation of 3,220 sewing machines from China.

In April 1992, when Bolona forced Fujimori to request Joy Way's resignation from the cabinet, the president declared that the former minister of industry would be put in charge of the relations between Peru and China. Of course, on this occasion he would represent Peru's interests, and not those of China, which had just celebrated its government's 43d anniversary.

Like Yoshiyama, Victor Joy way is a candidate for the CCD, as a member of Change 90. Joy Way, the "way of pleasure," as his surnames are translated into English, is running with the number 7, the one that brings good luck and wins the house in gambling. Congratulations.

* Politicians Discuss Presidential Reelection

93SM0070B Lima EXPRESSO in Spanish
18 Oct 92 pp 2-3

[Interviews with various Peruvian politicians by Alberto Mayta; place and date not given—first page is introduction]

[Text] Reelection is one of the touchy subjects in a country like ours, accustomed to vested interests, patronage, and authoritarianism. In these times of crisis for the political institutions, and of reconsideration of their functions, reelection has become a term feared on all sides, particularly when it is thought to have a specific name. Should it be possible to reelect members of Congress, or the president? Which person or persons are, or should be, reelectable? Here is what some of those who may perhaps be making the decision after 22 November have to say about it.

Enrique Chirinos Soto, constitutionalist and candidate on Rafael Rey Rey's Renewal list:

[Mayta] Should reelection to Congress be permitted?

[Chirinos] Of course. If reelection hadn't been permitted in Great Britain, Winston Churchill wouldn't have been elected prime minister of England during World War II. If reelection hadn't existed in Germany, Konrad Adenauer wouldn't have been chancellor. No one has any reason to impose vetos on anyone else. The voter can elect whomever he likes.

[Mayta] Should there be a revocation of the legislative term?

[Chirinos] If the Congress is going to be revoked, or even renewed by two thirds, it would be better that it not exist, and that a private council of the Presidency be created.

[Mayta] Should immediate reelection be favored for the office of president of the republic?

[Chirinos] It's an issue for reflection. The experience with reelection has proven bad for Peru. We have the example of Leguia, who was elected in 1919, reelected in 1924 and 1929, and then ended badly.

I admit that our electoral habits have progressed. The matter will have to be reviewed, but I say in advance that I'm opposed to immediate relection, which I think could be the subject of a referendum.

[Mayta] A special referendum to determine whether there will be reelection?

[Chirinos] I believe so. There could be a specific referendum before the convocation of the one planned to approve the new State Constitution, originating in the CCD [Defense Consultative Council (of the OAS)]. There might even be prior plebiscites on the subject of the death penalty and regionalization.

Fernando Olivera Vega, leader of the Independent Front for Moralizaton (FIM):

[Mayta] Should there be congressional reelection or not?

[Olivera] We believe that the people are entitled to decide who should or should not be in Congress, and how many times. That's why we have, since 1990, proposed renewal of the legislative term by thirds or halves, and revocation of the term.

[Mayta] Would you vote for presidential reelection?

[Olivera] In principle, presidential reelection isn't appropriate. If a president has had a good administration, he could be elected after a certain period of time. Nevertheless, it's an issue that deserves a more detailed analysis. We should start from the assumption that the laws should not be retroactive, nor should they refer to a specific name.

[Mayta] Not even in the case of President Alberto Fujimori?

[Olivera] We are willing to listen to other proposals and, finally, to hear the voice of the people.

[Mayta] Are you talking about a referendum to decide on a possible restoration of immediate reelection?

[Olivera] We would agree that it should be the subject of a plebiscite. For example, I think that a president who wants immediate reelection should meet certain requirements. One of them would be his dissociation from the Presidency for a certain period of time, so that he wouldn't be using the state's funds during the election campaign. We should remember that it will be the members of the CCD who devise the law on the referendum.

Jose Barba Caballero, from Democratic Coordination:

[Mayta] Should there be immediate reelection for members of Congress?

[Barba] The Constitution shouldn't be amended in this respect, and the right to possible reelection should remain in effect. Let's not worry about the ineffective ones. Only 80 percent of the Congress is renewed. It's the voting masses who punish ineffectiveness by not electing people.

Total renewal is improper. It takes at least 10 years for a good congress member to emerge, and one legislative term would prove too short. It's important to have professional politicians in office, because the lives of millions of human beings depend on their actions.

[Mayta] What do you think of revocation of the term?

[Barba] I totally approve. I think that there should be a special chapter on the citizens' participation, including the referendum, revocation of the legislative term, and the people's legislative initiative.

[Mayta] Should presidential relection be immediate?

[Barba] It might be a good idea for Japan or Sweden, but in Peru it would mean that the president holding power could misuse the state's funds to attempt another run for the chief executive's office. And there isn't the slightest doubt that the bureaucracy would prostitute itself, placing itself in the service of the current candidate-president.

However, I think that the presidential term also could be extended to six years, with the possibility of revoking his term through a specific law passed for that purpose.

We must attempt to make presidents act like statesmen. In other words, they should be thinking of the next generations, and not of the next elections.

Carlos Torres y Torres-Lara, constitutionalist and member on Jaime Yoshiyama's list:

[Mayta] Should there be congressional reelection?

[Torres y Torres] I think that the renewal by thirds system should be applied, but it should be the electorate itself that decides on the ones who stay and those who leave. The voter must have sufficient information to make a determination regarding members of Congress.

[Mayta] But would that entail extending the congressional term to five or six years?

[Torres y Torres] There could be a six-year legislative term that would allow for two renewals, by thirds of course.

[Mayta] And what about presidential reelection?

[Torres y Torres] Yoshiyama has said that, in his view, there shouldn't be presidential reelection, and that we shall have to wait for judgment to be passed on this matter by the Constituent Congress itself.

[Mayta] You have stated what engineer Yoshiyama thinks, but what is your opinion?

[Torres y Torres] That's the only comment I can make to you.

Lourdes Flores Nano, leading candidate on the PPC [Popular Christian Party] list:

[Mayta] Should congressional reelection remain in effect?

[Flores] In the congressional career, acquired experience is an important asset that we shouldn't underestimate. I believe that it is the modern parties that must set limits, to prevent certain persons from becoming entrenched, and that generational renewal should be allowed.

[Mayta] What is your view of renewal by thirds and revocation of legislators?

[Flores] Renewal by thirds disregards representative democracy. We don't approve of it. And, in the case of revocation, its purpose isn't so much to punish the bad legislator, but rather to question whether the Chief Executive should have more or less power. And that can be achieved with elections halfway into the government's term. Before discussing the renewal of members of Congress, intermediate consulations must be held, and they consist of municipal elections.

[Mayta] What does the PPC think about immediate presidential reelection?

[Flores] This issue shouldn't be viewed on the basis of President Fujimori. We mustn't let the CCD be used as a device serving to perpetuate the present ruler in power.

I don't believe that there should be presidential reelection. The political career should end, and not begin, with the exercise of the Presidency of the Republic. Whoever reaches the Chief Executive's office does so converted into a statesman who will govern on behalf of the nation's interests, not thinking about reelection.

Edmundo Murrugarra, leader of National Convergence:

[Mayta] Should congressional reelection be established?

[Murrugarra] The system must be attuned to the population. Therefore, we favor renewal by thirds and the use of revocation.

[Mayta] Would you favor Fujimori's reelection?

[Murrugarra] If the president is domineering in his attitude toward the CCD's autonomy it would prove dangerous. However, if he follows the rules and respects the Constituent Assembly, the Constitution could be completely amended, and another period could be attempted to complete its amendments. It all depends on what the president does in the coming months.

[Mayta] Would the Constitution have to be amended?

[Murrugarra] It could be done through a referendum. Remember that it will be the Constituent Assembly that will pass the pertinent law. It will stipulate whether immediate reelection is legal, and whether Fujimori can have recourse to it.

Venezuela

Reportage on 6 Dec Regional, Municipal Elections

Perez: Elections Strengthen Democracy

PA0712015592 Mexico City NOTIMEX in Spanish 0026 GMT 7 Dec 92

[Text] Caracas, 6 Dec (NOTIMEX)—Venezuelan President Carlos Andres Perez and the leading opposition leaders said the regional elections held on 6 December have strengthened democracy a week after the unsuccessful coup attempt.

"The elections have strengthened democracy following the infamous, absurd coup attempt against the people's will," Perez told journalists.

The euphoria among the campaign members of the leading political groups was a contrast to the anguish that prevailed on 27 November, when rebels bombed Caracas, in their second attempt to overthrow the Perez administration.

"It is a great victory. Democracy has prevailed over the coupists and over the wrong policies adopted by the national government. The real defeat of the coup came today," according to Eduardo Fernandez, leader of the COPEI [Social Christian Party], the leading opposition party.

Congressional leader Pedro Paris described the second elections tri-annual elections as "a new demonstration of civic awareness."

Observers from seven countries and from the OAS followed the elections. Eduardo Fuenmayor, from Colombia's Supreme Electoral Council, said there was no pressure and the people voted freely and peacefully.

Radical Cause Party, however, the fourth electoral force, reported attacks from followers of the ruling party and irregularities in Caracas, where according to the first projections, the ruling Democratic Action (AD) Party was in front.

According to the first unofficial projections, the rate of abstention was reduced to 30 and 40 percent in the interior of the country. There was a 50 percent abstention rate in 1989.

In Caracas, where elections were held for mayor and councilmen—the president appoints the governor—abstention reached 70 percent, according to the main political parties.

At 1930 local (2330 GMT), three hours and 30 minutes after the more than 8,000 poll stations were closed, AD, COPEI, and the Movement Toward Socialism (MAS)—the country's third largest party—carried on a statistical war as to who won the 22 governorships.

In addition to the governorships, there were approximately 200,000 candidates for 282 mayorships, 2,116 for councilmen, and approximately 3,000 for neighborhood boards, the smallest municipal division.

The 6 December elections were held to renew a total of 5,420 public posts, representing 90 percent of all the positions to be filled in by elected officials in Venezuela.

The 34 years of continuous democracy in Venezuela—shaken by a dozen aborted coups—began on 23 January 1958, when dictator Marcos Perez Jimenez was removed by a civic movement.

The 201 deputies, 46 senators, and the president of the Republic will be renewed in general elections to be held in December 1993.

COPEI Party Leader Comments

PA0712024892 Caracas Venezolana de Television Network in Spanish 2258 GMT 6 Dec 92

[Interview with Eduardo Fernandez, secretary general of the Social Christian Party, COPEI, by reporter Jenny Silva in the studio—live]

[Excerpts] [Silva] How do you feel at the conclusion of these elections? How do you feel about the results?

[Fernandez] I feel very happy, Jenny. I feel very proud of being a Venezuelan and of having participated in these elections, which have been a great victory for the Venezuelan people. I think the people today defeated the coupists; they spoke out in favor of a change. The people have spoken loud and clear.

Fortunately, the turnout for voting has been higher than some pessimists, who claimed that abstentionism would be the winner, thought. As it turned out, many people went to the polls. According to all the reports we have, the voter turnout was higher than the abstentions. This is very positive as it shows the people think that votes are more powerful than bullets. The change that Venezuela is demanding will be attained with votes and not with bullets.

Concerning our party, all of the reports I have are fabulous. The people have given us a show of confidence that we must handle in a very humble and responsible manner. The victory of our candidates shows the victory of people who have shown with facts and not with words that we must do something about the people, that the government should serve the people, should work for solving the problems. That pleases us tremendously while it makes us realize we have a tremendous responsibility to respond to the people's confidence by serving the people and by working for the sake of the country, which is most important. [passage omitted]

[Silva] What about Eduardo Fernandez, as COPEI secretary general, after these elections?

[Fernandez] I could not be happier with the results. I feel the party worked hard; these elections were not won today, last week, or last month. This is the result of three years of work, which we have done with great devotion. The great heroes are the COPEI governors and the COPEI mayors, who showed they have done a good job. They looked after the people's problems. Therefore, if today we have many more governors' posts than we did before, it is because the people appreciate what the COPEI governors have done. We hope the other governors will do the same or even better. We hope all candidates of all parties will work in a humble and dedicated manner. [passage omitted]

[Silva] What do you think is the lesson for Venezuela today, now that the elections are over? What is the greatest commitment of those who were elected?

[Fernandez] The people said today: We have behaved well; let us hope the national leaders will behave well. I think the lesson we must learn from the Venezuelan people is that we must work for the people. The parties must get closer to the people. They must not manipulate the people, but they must get closer to the common Venezuelan and show that the political parties and the political leaders are useful.

If we achieve that, I think we will have achieved much. Today civilization has won over barbarism. Today the democratic willingness of the nation has won in the country. Today we showed that votes are more powerful than bullets.

[Silva] Thank you very much, Mr. Fernandez, for this interview.

Opposition 'Gaining Victory'

PA0712015092 Paris AFP in Spanish 0015 GMT 7 Dec 92

[Text] Caracas, 6 Dec (AFP)— On the night of 6 December, the opposition was gaining victory in Venezuela's regional and municipal elections, according to estimates by opposition parties, estimates that coincided with those of the radio and television.

At the same time, leaders of the ruling party were asking fellow party members to remain calm and wait for official results.

However, voters' abstention also dominated election figures. According to the Social Christian Party, COPEI, the country's main opposition group, and the Movement for Socialism, MAS, the third largest party in Venezuela, the abstention figure was 70 percent in Caracas and between 30 and 40 percent in the interior. The elections were viewed as a referendum for the besieged Venezuelan democracy.

COPEI claimed 45 percent of the votes and, according to its top leaders, it won 12 of the 22 governorships that were at stake, and was in a close race for another two.

The leftists reportedly won three or four governorships and the rest of the governorships, won by the ruling party, are the poorest and least populated states in the country.

According to estimates by Radical Cause Party and COPEI, Caracas, which is not choosing a governor but a mayor, will reportedly be in the hands of Aristobulo Isturiz of the radical left.

Democratic Action (AD), the social democratic party of President Carlos Andres Perez, seemed to be the main loser in the elections.

At 2330 GMT, three hours after the initial count, there were still no official results, but radio and television sources confirmed the COPEI estimates.

COPEI claimed 45 percent of the votes at the national level, compared with 32 percent for AD, 15 percent for MAS, and 9 percent for the leftist Radical Cause party, rightist organizations, and independent groups.

The enthusiasm of political leaders who praised the elections day, barely nine days after a second foiled coup attempt so far this year, replaced [words indistinct], although not in the deserted Caracas streets where apathy prevailed.

CSE Announces Closing of Polls

PA0612213992 Caracas Venezolana de Television Network in Spanish 2020 GMT 6 Dec 92

[Statement by Supreme Electoral Council, CSE, President Isidro Morales Paul at CSE headquarters—live]

[Text] Compatriots, members of Voting Tables, Municipal and Main Election Boards:

The elections have been held with absolute tranquillity. They have been held despite any delays or errors, normal in any election, which may have occurred.

Political organizations have covered 28,000 voting tables, 8,354 voting centers, and, in general, have guaranteed the participation of more than 500,000 Venezuelans in the organization of the elections and in counting the votes.

According to the law, at 1600 [2000 GMT] the representatives at the voting tables must start counting the votes cast in ballot boxes unless there are still voters in line, in which case, the voting will continue until everybody in line has voted.

The Regional Republic Two Operation [Operacion Republica Regional Dos] has been successful. It made it possible for citizens to vote in an orderly manner for the candidates of their choice.

We thank the Armed Forces, representatives of political parties, members of the electoral organizations, and CSE personnel, as well as all those who contributed, to guarantee a smooth process.

Based on the CSE decision to guarantee free elections, the media will be allowed to report on the election results beginning at 1800 on 6 December.

As you know, the 22 Main Election Boards—one in each state—are responsible for counting all the votes and proclaiming the winning candidates for governor.

In the same manner, the 283 Municipal Boards will be responsible for proclaiming the winning candidates for mayor, councilmen, and members of neighborhood boards.

The CSE feels satisfied and proud of the resounding victory of the Venezuelan people who went to the polls in large numbers as a demonstration of their political determination, and to reaffirm their support for democracy as a way of life. Thank you.

CSE Cites No Official Results Yet

PA0712042792 Caracas Venezolana de Television Network in Spanish 0313 GMT 7 Dec 92

[Interview with Miguel Esquivel, representative of Democratic Action Party, AD, by unidentified reporter at the Supreme Electoral Council office in Caracas—live]

[Text] [Reporter] Now that some unofficial reports have been given and the people have learned about some results from the various campaign centers and from the municipal boards, could you tell us which is the organization in charge of giving the official figures at this time? Is it the Supreme Electoral Council [CSE] here, at its headquarters, or is it the various regional or municipal offices?

[Esquivel] I want to clarify to the country that the main electoral boards are the ones who should give the final results of the elections for governors. They are the ones who are counting the votes, and they are the ones who proclaim the respective winners. Likewise, the municipal electoral boards are the ones who are going to count and proclaim the mayors and the council members who have won.

Therefore, we do not have at the CSE any type of official information to give the country. We must necessarily wait for the main and municipal electoral boards to conclude their work, because they are the ones entrusted by law to count the votes and proclaim the winners.

I think this is a good opportunity to urge the members of these electoral boards to expedite, as much as possible, this process of counting the votes and proclaiming the winners. They should do this so the people will feel more at ease and will know for sure who will represent them before the local government, and so the country may begin on 7 December to work, which is what the country expects and wants.

As you said in the beginning, all of this information that has been given today is actually unofficial. No main or municipal electoral board has issued any official bulletin yet. That is a rather slow process, therefore, I estimate there will be official returns late on 6 December and early on 7 December.

The copies of the respective tally sheets will be sent to the CSE later on 7 December so these can be revised and filed, in the event of future consultations.

[Reporter] The winners will be proclaimed once the votes have been counted?

[Esquivel] That is right. Once they finish counting the votes, they prepare the tally sheets and then prepare the document proclaiming the respective winners. That will take place in the next few hours, according to the work they have been doing. That is why I think the people will know definitely on 7 December who the winners are in the elections for governors, mayors, and council members.

[Reporter] I understand that the CSE concluded a meeting here at 2310 [0310 GMT]. What topics did you discuss in that session?

[Esquivel] What we did at that meeting was make an overall assessment of the activities held throughout the day. We thought it was important to urge the main and municipal boards to expedite the process. We also had to revise some issues with some boards where we had learned the process was moving too slowly. The president announced about two minutes ago that there was a small problem with the municipal electoral board of Baruta. In order to find a definite and fast solution to that problem, the CSE appointed a new president and secretary to that board.

[Reporter] In other words, the Baruta municipal electoral board has been dismissed?

[Esquivel] Yes, that is a fact. It was replaced, but actually, we must admit the president and the secretary of that board was dismissed because the process was moving too slowly. Actually, it had not even started to count votes.

[Reporter] That is why CSE secretary general Ezequiel Zamora had to go to Baruta?

[Esquivel] That is correct. The secretary general had to go there to install the other members as appointed by the CSE president.

[Reporter] In other words, all that the CSE now has to do here at headquarters on 7 December is to wait for the arrival of the tally sheets from all parts of the country?

[Esquivel] On 7 December, we will continue evaluating the process throughout the country; we will analyze the failures there might have been so we may prepare the December 1993 elections. Of course, we will be prepared to receive the tally sheets and the documents proclaiming the winners.

[Reporter] We thank Miguel Esquivel, AD representative at the CSE.

Minister Says Ties With Peru Depend on OAS Report

PA0612023092 Madrid EFE in Spanish 2200 GMT 5 Dec 92

[Text] Caracas, 5 Dec (EFE)—Venezuelan Foreign Minister General Fernando Ochoa Antich said in Caracas on 5 December that the reestablishment of relations between Venezuela and Peru depends on the OAS report on the recent Peruvian elections.

Foreign Minister Ochoa also said Venezuela is waiting for "new steps" in the reestablishment of democracy by President Alberto Fujimori's government.

Venezuela suspended its diplomatic relations with Peru on 5 April after the coup d'etat staged by President Alberto Fujimori with the support of the Armed Forces.

On 27 November, a group of 93 soldiers who participated in the coup attempt in Venezuela on that day fled to Peru and the Fujimori government granted them political asylum. Of those 93 soldiers, 41 returned to Venezuela on 4 December to face summary trials conducted by an ad hoc military court because of their participation in the rebellion.

Foreign Minister Ochoa said that Fujimori's decision to grant political asylum to the group of officers involved in the coup "neither hardens nor softens Venezuela's position."

According to Ochoa, the recent Peruvian Constituent Congress election is an important step toward the return of democracy in that country, but "it does not constitute sufficient basis for Venezuela to reestablish its relations with Peru."

41 Coupists Return From Peru; Perez To Pardon

PA0512025992 Madrid EFE in Spanish 2113 GMT 4 Dec 92

[Text] Caracas, 4 Dec (EFE)—Forty-one of the 93 Venezuelan soldiers who fled to Peru on 27 November following the thwarted military coup attempt arrived in Venezuela on 4 December, where they are waiting to be pardoned for their participation in the rebellion.

The repatriated soldiers arrived at 1620 (2010 GMT) at the Libertador Military Base in Maracay, 150 km west of Caracas. The group of soldiers and NCO's arrived in a Venezuelan aviation corps Hercules C-130 transport with an official Venezuelan Air Force mission presided by General Gustavo Leon.

This is the same airplane that the soldiers used to flee to Peru following the coup attempt, taking with them a sizable shipment of weapons that will also be returned to the Venezuelan authorities.

The authorities prevented reporters from getting too close to the landing area, making it impossible to obtain comments from the coupists.

The remaining 52 soldiers led by General Francisco Visconti, all of whom are officers, remained in Lima, where they have been granted political asylum by the government of Peruvian President Alberto Fujimori.

The group of soldiers returned to Venezuela because President Carlos Andres Perez promised not to punish soldiers who, fulfilling their superiors' orders, participated in the coup attempt.

Coupists' Court-Martial Begins

PA0512150692 Mexico City NOTIMEX in Spanish 0940 GMT 5 Dec 92

[Text] Caracas, 5 Dec (NOTIMEX)—A Venezuelan ad hoc court- martial on the evening of 4 December initiated proceedings against civilians and military personnel accused of participating in the foiled 27 November coup attempt, the second in Venezuela in nine months.

Nestor Lara, director of the Defense Ministry Secretariat, told NOTIMEX that the court-martial, which is presided over by Division General Maglio Enrique Montiel and is composed of four more officers, began working "immediately" on 4 December.

The announcement coincided with the arrival of a Hercules C-130 airplane carrying 41 of the 93 soldiers who sought refuge in Peru last week following the foiled coup against President Carlos Andres Perez' administration.

These officers and soldiers will be included in the special trials during which their degree of responsibility in the coup attempt will be established. Their relatives have said the accused acted on orders from General Efrain Francisco Visconti, the coup attempt leader.

The members of the Venezuelan Armed Forces who fled, the weapons they were carrying at the time, and a seven-member crew arrived at El Libertador air base, in Maracay, which had served as the rebels' headquarters last week.

Lara explained that the court-martial has begun reading the files of the suspects, the number of which he did not mention, saying many of them could be released for lack of evidence or for acting on orders from superiors.

An undetermined number of civilians, 800 soldiers, and approximately 120 officers, including the coup attempt's five leaders, will be tried by the court-martial, which could sentence them in approximately 10 days.

Only three of the coup attempt leaders—two rear admirals and a lieutenant colonel—are under arrest. Visconti was granted asylum in Peru, and retired Army Colonel Higinio Castro is hiding somewhere in Venezuela, according to Venezuelan authorities.

The court-martial was installed by Defense Minister Ivan Jimenez. It will proceed uninterrupted as if Venezuela were in a state of war. Its rulings cannot be appealed. However, the Supreme Court of Justice can annul them.

There is a possibility that the accused, who are facing military rebellion charges and could be sentenced to up to 30 years in prison, could benefit from either amnesty or a pardon.

The civilians face a maximum of 10 years in prison because according to military laws they are to be given one-third of the sentence.

The court-martial is composed of Montiel, who is a division general in the Air Force, which was the backbone of the military uprising; National Guard Brigade General Felix Bravo, who will serve as a rapporteur; Army Brigade General Jose Quintana, as first secretary; Rear Admiral Reinaldo Santos, as prosecutor; and Air Force Lieutenant Colonel Adrian Marin, as auditor.

Commander Says Air Force Coup Support Limited

PA0412132092 Madrid EFE in Spanish 2030 GMT 3 Dec 92

[Text] Caracas, 3 Dec (EFE)—In an interview published by the Caracas EL GLOBO newspaper on 3 December, General Eutimio Fuguett, the Venezuelan Air Force commander, asserted that only 5 percent of the Air Force personnel participated in last week's attempted coup d'etat.

Fuguett emphasized: "The story would be entirely different" if the Venezuelan Air Force "had been 100 percent committed to the coupists." Fuguett asserted that "the Air Force did not rebel" during the 27 November foiled coup.

With those statements, the Air Force commander refuted the statements made by Gen. Francisco Visconti Osorio, who fled to Peru with 92 military personnel after the foiled coup. Visconti said 90 percent of the Air Force was committed to the coup d'etat attempt.

Fuguett said: "The Air Force has overwhelming power; it is the force of destruction," and the results of the rebellion show that very few airmen were committed to it.

Fuguett, who did not explain how many planes were under rebel control, said the coupists used "two of the four Mirage planes we have," as well as Bronco and Tucan aircraft.

Forces loyal to the government managed to subdue the rebels with two F-16s, Fuguett stated. He also said Visconti is "a man whose hands are stained with blood and who bombed his military aviation school. He is not a trustworthy man."

Fuguett said the Air Force is a very large organization and cannot be controlled by "a group of coupists in such a short period," and that this group, "as all traitors, used the element of surprise" in the coup attempt.

The soldiers in our bases were tricked by the coupists, who told them that airplanes from another military corps were trying to take over their installations, Fuguett reported.

He also said the rebel group managed to fly an undetermined number of F-16s with two pilots who were not Air Force members. However, they were unable to load the planes with weapons "because the support personnel refused to help them."

Regarding the many bombs that were thrown by the rebels but did not explode, Fuguett said it was because the ordnance personnel did not back the coup and "tied the fuses so the bombs would not explode."

"Several bombs were dropped from a very low altitude because the rebels were threatened by F-16s" loyal to the government; therefore, causing some bombs not to explode, since "the fuses require a specific height and adequate conditions to be triggered."

Air Force Commander Gen. Fuguett reported that only three women—all lieutenants—participated in the military coup attempt and are currently under arrest.

Coup Leader Denies Ties With Leftists

PA0612200992 Madrid EFE in Spanish 1845 GMT 6 Dec 92

[Text] Caracas, 6 Dec (EFE)— Rear Admiral Hernan Gruber Odreman, leader of the foiled 27 November coup in Venezuela, has denied an alliance with extreme leftist groups to seize power.

In a letter sent to the newspapers EL NACIONAL and EL GLOBO from his cell at the Military Intelligence Directorate and published on 6 December, Gruber Odreman says almost all the high-ranking offers who participated in the foiled coup fought against leftist groups in the 1960s.

"We have never had any ties with leftist groups from any sector or party in all our military life, or even in our social relations," he emphasized. The officer said that on the day of the foiled coup "people approached the Military Museum" in western Caracas that was used by the rebel commanders' as a headquarters and "requested weapons to help the movement that would restore true democracy."

Gruber Odreman stated: In the presence of a representative from the Attorney General's Office, "we refused to deliver the weapons." The official from the Attorney General's Office can verify that.

The rear admiral also denies any ties with criminals, "although propaganda organizations have tried to misinterpret our position concerning the latest criminal actions that have shaken the country."

Gruber emphasized that "there is a vast difference" between criminals and the military commanders involved in the country "if you compare the conduct shown by the rebel chiefs during their service to the homeland."

In his letter the rear admiral also denies that a battle broke out between loyal and rebel forces at the Military Museum, which—according to the government—was recovered "with bloodshed and fire."

Gruber Odreman says the official position is "boastful and represents a facade used by politicians, but the

Armed Forces are used to this." He added that the rebel forces had already surrendered "without pressure or military harassment" before the loyal forces arrived.

The rebel rear admiral revealed that Catia Prison authorities massacred common criminals. He explained how the government used the "crime-coup" formula with the dual intention of getting the people to reject the coup and ridding the prison of excess inmates.

According to Gruber, the National Guard in charge of the prison ordered the inmates to go out "because the government has fallen" and then opened fire on them in "a cruel and inhuman ambush."

Rear Admiral Gruber justified the escape of another coup participant, General Francisco Visconti Osorio, to Peru with a group of 93 officers and soldiers. He said Gen. Visconti realized those who accompanied him in the coup would be massacred so he decided to save them from certain death.

Gruber insists the rebel general's presence abroad will allow the world to have an objective opinion of the facts and reasons "behind our attitude."

The rear admiral revealed that President Carlos Andres Perez received "a private, almost secret letter" explaining the Armed Forces' internal situation and "his reply was never received, thus negating his position as supreme commander of the Armed Forces."

* Foreign Investment Reveals Steady Growth

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[Excerpt] Foreign investment in Venezuela during the first eight months of 1992 increased by $344.9 million over the same period of 1991, for a total of $461.12 million. During the first eight months of 1991, foreign investments of $116.15 million were registered. The data were published in a report by the Superintendency of Foreign Investments (Siex).

Although investments in March, April and May fell by 86.97 percent following the military uprising of 4 February 1992, they began to rise again in June, but have not yet regained the levels reached at the beginning of the year. So far, January is the month that saw the greatest volume of foreign investment: $121.63 million.

Investment in February was $72.95 million, dropping sharply in March to $9.55 million, $30 million in April and only $4.58 million in May. In June, investments rose to $78.5 million, $68.01 million in July and $75.88 million in August, of which $58.9 million was an investment by the US firm Guinness Distillers Holdings, the recipient being Corporacion Pampero, CA.

Investment By Country

The United States continues to hold first place in total foreign investment during the period January-August 1992, with a share of $122.63 million, or 26.5 percent of total investment. The United Kingdom follows with $86.4 million, the Netherlands with $74.8 million, Panama with $68.03 million, France with $39.2 million, Curacao with $18.11 million, Liechtenstein with $13.9 million and other countries with $37.7 million.

New Registered Foreign Investment by Country of Origin
January-August 1992
(in millions of dollars)

United States	122.63
United Kingdom	86.4
Netherlands	74.8
Panama	68.03
France	39.2
Curacao	18.11
Liechtenstein	13.9
Others	37.7

Manufacturing continues to be the leading sector for direct foreign investment, receiving 62.9 percent of all such investments ($290 million), followed by financial services with 19 percent ($88.4 million), the commercial sector with 8.6 percent ($39.8 million), transportation with 4.85 percent ($22.3 million), agriculture and livestock with 4 percent ($18.3 million) and construction with 0.5 percent ($2.1 million).

New Registered Foreign Investment by Economic Sector
January-August 1992
(in millions of dollars)

Manufacturing	290
Financial Services	88.4
Commerce	39.8
Transportation	22.3
Agriculture-Livestock	18.3
Construction	2.1

As to the financing of foreign investments, the Siex report says that 43.9 percent was effected through foreign currency, followed in order of importance by financing through conversion of foreign public debt (29.4 percent), credits (22.5 percent), bonds (2.9 percent), capitalization of surplus (0.8 percent) and use of local currency (0.02 percent).

VenamCham

The Venezuelan-American Chamber of Commerce and Industry (VenamCham), dedicated to the promotion of foreign investment and trade between the United States and Venezuela, concentrates its efforts on providing information to potential investors.

As part of this effort, it published a new yearbook in October 1992, "Investing in Venezuela 1992-1993", a

summary of information on areas that might be of more interest to investors, as well as guidance on promoting the flow of foreign capital.

According to sources at VenamCham, although the events of recent months caused a fall in the value of Venezuelan foreign debt, a decline in the Caracas stock market and a sharp rise in the value of the dollar, foreign investors were not discouraged and continue to regard Venezuela very favorably for the investment of their capital.

Still, it is worth while to recall the warning issued on Friday, 16 October, by Deputy Assistant Secretary of State for Inter-American Affairs, Robert Gelbard, who, at the end of a meeting with President Perez at Miraflores, expressed his government's concern over "a certain turbulence" that affects our country. He said that an extra-constitutional solution in Venezuela would affect US investment.

The publication "Investing in Venezuela 1992-1993" contains information on the petroleum industry, the petrochemical sector, mining, manufacturing, tourism, telecommunications, agriculture, agro-industry, transportation and the real estate sector. [passage omitted]